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U.S. POLICY TOWARD CENTRAL AMERICA ASSESSED

OW051821 Beijing XINHUA Domestic Service in Chinese 1428 GMT 3 Mar 82

[Roundup report by XINHUA reporter: "Central American Turmoil and Soviet-American Rivalry"]

[Text] Beijing, 3 Mar (XINHUA) -- U.S. President Reagan recently presented an economic and military aid plan for the nations in Central America and the Caribbean. According to the announcement, the United States will budget an additional \$350 million in economic assistance and \$60 million in military aid for the region this year. That will make total U.S. aid to the region close to \$1 billion in fiscal 1982, double the amount for 1981. It is noteworthy that in announcing this plan, Reagan strongly denounced the Soviet Union and Cuba for supporting "violent revolutions in Central America." He stressed that ensuring the security of the region is of "vital interest" to the United States. He alleged: "If no prompt and decisive actions are taken," "a new Cuba will evolve from the ruins of the current conflicts." This shows that rivalry between the two superpowers in the turbulent area will be further intensified.

The United States has long regarded Central America and the Caribbean as its "main gate in the south" and as its "backyard." The region is of immense political, economic and military interest to the United States. Nearly half of the U.S. trade, two-thirds of its imported oil and more than half of its imported strategic minerals must travel through the Panama Canal or the Gulf of Mexico. Reagan alleged: "The Caribbean is an artery of the utmost strategic importance for U.S. commerce and communications."

In recent years there has been turbulence in Central America and the Caribbean. New contradictions arose in Nicaragua after Somoza's dictatorial regime was overthrown. In Guatemala antigovernment guerrillas are becoming more active. While the flame of civil war in El Salvador has not died out, strikes and conflicts have surged in other countries. The turbulent situation in the area is deeply rooted in backward economies, gaping economic disparities and prolonged absence of democratic life for the people. Adversely affected by the international economic crisis in recent years, the aggravated economic situation in some countries continued and, along with increased unemployment and high inflation, social contradictions have sharpened. Increased U.S. and Soviet involvement in the internal affairs of the area further complicate the situation.

During the past few years, the Soviet Union, working through Cuba, has stirred up more troubles in Central America and has quickened the tempo of contention with the United States. In 1981 alone, the Soviet Union delivered to Cuba 63,000 tons of military hardware, 13,000 tons more than were shipped to Cuba during the 1962 missile crisis and 2.6 times more than were supplied in 1980. The Soviet Union daily funds Cuba with more than \$8 million in terms of various forms of aid. As of now, Cuba's military force, calculated on an average per-capita basis, already tops other Latin American countries. With its strength bolstered by Soviet assistance, it has already carried out many scandalous schemes in Central America and the Caribbean. Flaunting the banner of "cooperation," Cuba infiltrated other nations and attempted to exert influence. It supplied weapons to antigovernment guerrillas in some countries in a move to fish in troubled waters.

Turbulence in Central America and Soviet-Cuban infiltration have caused increasing unease in the United States. When the Reagan administration assumed office, it adopted a more uncompromising stand than its predecessor. It regarded the situation in the area as a "priority" in its foreign policy and tried in every possible way to improve relations with countries in the region. Since 1981, the U.S. administration has held massive military exercises in the Caribbean, and it has set up the Caribbean military command. It has also suspended assistance to Nicaragua while boosting economic and military aid to the El Salvador Government in an attempt to thwart Soviet-Cuban expansion. Some American papers have disclosed that U.S. Secretary of State Haig has urged the Pentagon to study "a range of possible options" for military action against Cuba and Nicaragua. Although Reagan subsequently denied any plan for military intervention in Central America, the United States has persistently studied new strategies to guard against and confront Soviet-Cuban infiltration. The U.S. plan to boost economic and military aid to Central America and the Caribbean has aroused intense concern in the area and throughout all of Latin America. Intensified U.S.-Soviet rivalry can only bring more unrest to the area.

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PRC INTERNATIONAL AFFAIRS  
SOVIET UNION

C 1

STOESSEL CONDEMNS USSR CRIMES IN AFGHANISTAN

OW090800 Beijing XINHUA in English 0701 GMT 9 Mar 82

[Text] Washington, March 8 (XINHUA) -- More than 3,000 people in Afghanistan have been killed by Soviet chemical weapons and three million Afghans have been forced to flee their country since the Soviet invasion in 1979, U.S. Deputy Secretary of State Walter J. Stoessel Jr said here today.

Testifying before the Senate Foreign Relations Committee on U.S. commemoration of March 21 as Afghanistan Day, Stoessel said: "As a result of chemical attacks, 3,042 deaths attributed to 47 separate incidents between the summer of 1979 and the summer of 1981 have been reported." The actual figure could be considerably higher, he added.

"Analysis of all of the information available leads us to conclude that attacks have been conducted with irritants, incapacitants, nerve agents, phosgene oxime, and perhaps mycotoxins, mustard, lewisite and toxic smoke," he said.

As a result of recent Soviet artillery and air bombardment of Qandahar, Afghanistan's second largest city, followed by wanton looting and killing, hundreds of innocent civilians lost their lives, many of the city's buildings were severely damaged and two-thirds of its population fled. Soviet forces also moved against Afghanistan's fourth largest city of Herat with similar ruthlessness, he said.

But the Soviet Union now encounters terrible difficulties in face of the Afghan people's valiant resistance, which has forced it to increase its troop strength from 80,000 to 100,000, he added. Soviet losses, both dead and injured, were estimated so far at between 10,000 and 15,000.

"We must not allow the Soviets to believe that their aggression is accepted as a fait accompli," he noted. The passage of time has not "diminished demands that the Soviet Union withdraw its troops from that country."

REPORT ON USSR CHEMICAL USE IN AFGHANISTAN CITED

OW090810 Beijing XINHUA in English 0728 GMT 9 Mar 82

[Text] Rome, March 8 (XINHUA) -- Soviet troops in Afghanistan have unscrupulously used asphyxiating gas to slaughter anti-government guerrillas and Afghan patriots, the Italian newspaper IL TEMPO reported today.

The paper's special correspondent, Giorgio Torchia, filed the report from Peshawar, Pakistan, on the basis of an interview in a nearby refugee camp with an Afghan captain who fled his country last fall. The captain, as an eyewitness, said that Soviet invaders and Afghan troops of the Babrak Karmal government had repeatedly used poisonous gas and other chemical weapons in west and south Afghanistan.

An underground organization in Afghanistan confirmed that the Soviet invaders had used poisonous gas not only against guerrillas, but also against ordinary people suspected to be supporters of the resistance movement, the report said.

The captain said that the Soviets had built special companies in some Afghan regiments and equipped them with chemical weapons and poisonous gas. There was also a special Soviet battalion in Hoseyn Kut, north of Kabul, whose artillery, aircraft and helicopters had fired gas bombs and shells and other offensive chemical weapons against the Afghans, the captain added.



Soviet troops were trained in gas and pollution protection for purposes of chemical and nuclear warfare, he said. Some of Karmal's units also received such training.

The Italian paper's special correspondent learned from a medical student in the refugee camp that some 200 Soviet soldiers were hospitalized in Tashkent last year, apparently poisoned in an accident during their chemical warfare drill.

RENMIN RIBAO NOTES AFGHAN ANTI-SOVIET BROADCASTS

HK081436 Beijing RENMIN RIBAO in Chinese 6 Mar 82 p. 6

["International Jettings" article by Liang Li [2733 7787]: "Hitting Where It Hurts Most"]

[Text: "Why do you stay in Afghanistan? What do you have in mind?" These are questions put to Soviet soldiers of the Soviet aggressor army by the Afghan guerrillas through their secret radio stations.

Report: It is that the Afghan guerrillas, while continuously attacking the enemy, have launched a political offensive against the aggressor troops through their secret radio stations. They use the same frequencies in their mobile radio transmitters as those used by the Soviet troops in their recreational radio programs as well as by the Soviet tanks and helicopters in their radio communications, and they broadcast 15 to 45 minutes of Russian programs every day to the Soviet troops. It was in a broadcast beamed to the Soviet troops that the questions cited above were posed.

The Soviet Union is very uneasy about these broadcasts. In an article last year, IZVESTIYA attacked these radio broadcasting stations "engaging in antigovernment propaganda" as "a most flagrant and wanton violation of Afghan national sovereignty."

Is it not a joke that broadcasting to the Soviet troops in Russian should be a violation of Afghan national sovereignty? That IZVESTIYA should have spoken so incoherently was obviously due to the fact that the Soviet Union dispatched troops to Afghanistan without just cause and that its rank-and-file soldiers have no will to fight, while the questions put by the Afghan secret radio stations to the Soviet soldiers hit Moscow just where it hurts most.

LAO REPRINT OF PRAVDA ARTICLE ON WAR REBUTTED

BK011422 Beijing in Lao to Laos 1230 GMT 3 Mar 82

[Station correspondent Ying San commentary: "Expose Themselves by Slandering Other People"]

[Text] On 27 January 1982 the Lao paper SIANG PASASON published a lengthy article entitled "Undeclared War," disrupting Sino-Lao relations, criticizing Chinese assistance to Laos and flagrantly instigating opposition toward China. This article was written by a Russian and was published in PRAVDA last year. This is not the first time that an article cooked up by Moscow to sabotage Sino-Lao friendship has been published in the Lao press with the hope of deceiving the Lao people. The Lao people are particularly indignant over Soviet interference in Sino-Lao relations and sabotage of the time-honored friendship between the two peoples of China and Laos. The Lao people fully understand the relations between the two countries.

The Soviet Union, with its ruthless hegemonism, has sought, by supporting Vietnam, to carry out aggression and expansion in Indochina and Southeast Asia. Obstructed by China, the small and big hegemonists, namely, the Soviet Union and Vietnam, consider the Chinese people -- who cherish international justice and adhere to a stand of opposition to imperialism and hegemonism -- as a thorn in their flesh and have repeatedly tried to stir up movements opposing China. They have viciously cooked up deceitful stories attacking and slandering China, seeking every possible means to disrupt and destroy Chinese friendship with Laos, the ASEAN member countries and other countries in Southeast Asia with a view to fishing in troubled waters. Simultaneously, they have cooked up stories about the so-called threat from China with a view to covering up their crimes of invading and expanding their influence into Southeast Asia.

The Chinese Government has firmly stated on several occasions that China has never sought hegemonist rights anywhere in the world and that it obstructs other people who seek such hegemonist rights. China has always expressed sympathy with, voiced support for and rendered assistance to the people of various countries in their just struggle against imperialism and hegemonism. It has maintained an open and just stand.

The PRAVDA article will only serve to further expose the wicked goals of those who cook up deceitful propaganda. China and Laos have a common border linked with mountains and rivers. The peoples of the two countries have maintained close relations, and have visited each other in a friendly manner since ancient times. In the protracted struggle against imperialism and colonialism, the two peoples have supported each other, thereby cultivating a profound friendship. China has always respected the independence and sovereignty of Laos, and has never done anything that might sabotage that independence and sovereignty. The Chinese people have spiritually nourished Chinese-Lao friendship. Between the two countries there are no disputes.

A regrettable matter is that at present, it is not the Lao people who have taken control of the domestic and foreign affairs of Laos. Laos has been occupied militarily and controlled in all respects by Vietnam. Laos is not allowed to make a decision even on a small matter regarding its relations with neighboring countries. To make a decision, Lao must take advice from Moscow and Hanoi. On several occasions Moscow and Hanoi have made decisions themselves before forcing the Lao authorities to join in opposing China. The PRAVDA article also clearly demonstrates this fact.

However, the Lao people continue to maintain their honorable tradition of struggling for national liberation. In the past, after their protracted, hard struggle, they victoriously drove the French and U.S. imperialists out of their country. At present, they maintain a resolute determination not to allow the small and big hegemonists -- Vietnam and the Soviet Union -- to run wild in Laos too long.

We believe that the publication of the PRAVDA article in the Lao newspaper will only further expose the wicked nature of the Soviet and Vietnamese hegemonists. As a result, the Lao people will become further dissatisfied with them.

DOCTOR REMARKS ON SRV CHEMICAL USE IN KAMPUCHEA

OW072210 Beijing XINHUA in English 1831 GMT 7 Mar 82

[Text] Paris, March 6 (XINHUA) -- A French doctor today denounced the Vietnamese troops in Kampuchea for using Soviet-made toxic chemicals against the Kampuchean people.

Dr Poncet, who has recently returned from Kampuchea, where he spend 40 days working with two nurses in a medical team sent by the French doctors' association, made the revelation at a meeting here. He said although he had not seen the actual toxic chemicals, "I have examined four Kampucheans with all the symptoms of poisoning by such chemicals: burning of the gastric and intestine mucous membranes, congestion of the viscera, bloody diarrhea, difficulty in swallowing and breathing. The clinical picture was complete."

He said: "The symptoms resembled those my colleagues found on victims of poisoning in Afghanistan, so it was toxic chemicals made in the Soviet Union. Vietnam is not capable of producing them."

At the meeting, slides and films were shown on the French medical team's work in Kampuchea and the life and struggle of the Kampuchean people. Dr Robert Andrei, who initiated the medical aid, announced that more medical teams would be sent to Kampuchea.

AGREEMENT WITH KHIEU SAMPHAN, SIHANOUK NOTED

BK090203 Beijing in Cambodian to Kampuchea 1030 GMT 7 Mar 82

[Text] The French newspaper LE FIGARO on 6 March reported that during an interview with its reporter, Singapore Deputy Prime Minister Rajaratnam said that Hanoi is the root cause and the key to problems in all Southeast Asia.

When discussing the idea of leaving the Democratic Kampuchean seat at the United Nations vacant, Rajaratnam noted that if this idea were carried out, it would threaten to destroy ASEAN's Kampuchea policy and would be an act to realize the Keng Samrin administration's entrance into the United Nations. He added that he agreed with the talks between Khieu Samphan and Samdech Sihanouk in Beijing and noted that this could lead to the three parties establishing a program after their discussions.

FURTHER REPORT ON VISIT OF PCF DELEGATION

OWO81534 Beijing XINHUA in English 1500 GMT 8 Mar 82

[Text] Beijing, March 8 (XINHUA) -- Vice-Chairman Li Xiannian of the Central Committee of the Communist Party of China invited, on behalf of the party Central Committee, Georges Marchais, general secretary of the French Communist Party, to visit China at his convenience. The vice-chairman extended this official invitation at a meeting with a delegation from the French Communist Party here this evening.

Maxime Gremetz, member of the Political Bureau and member of the Secretariat of the Central Committee of the French Communist Party, is leading the delegation. He said he was "extremely happy" to accept the invitation on behalf of General Secretary Marchais.

Since arriving in Beijing March 4, the delegation has had talks with leading members of the International Liaison Department of the C.C.P. Central Committee on the restoration of relations between the two parties and other issues of common concern. The talks have promoted mutual understanding and opened the way for restoration of official relations between the two parties.

Li Xiannian hosted a dinner for the French visitors after today's meeting. Among those attending the meeting and dinner were Ji Pengfei, vice-premier of the State Council and head of the International Liaison Department of the C.C.P. Central Committee; Adviser Li Yimeng; and deputy heads Wu Xueqian and Feng Xuan of the International Liaison Department of the party Central Committee.

The French Communist Party delegation is leaving Beijing for home tomorrow. It toured Xian from March 6 to March 8.

LI YIMENG RECEIVES NETHERLANDS CP OFFICIAL

OWO51808 Beijing XINHUA in English 1556 GMT 5 Mar 82

[Text] Beijing, March 5 (XINHUA) -- Li Yimeng, president of the Association for International Understanding of China, tonight met and feted Joop Wolff, former member of parliament and member of the Political Bureau of the Communist Party of the Netherlands, and his wife. The guests are here at the invitation of the association.

FURTHER ON NPC STANDING COMMITTEE SESSION

## Zhao Zivang's Report

OW090545 Beijing XINHUA Domestic Service in Chinese 1435 GMT 8 Mar 82

[Text] Beijing, 8 Mar (XINHUA) -- Premier Zhao Zivang's report on the restructuring of the State Council's organizations delivered at the 22d Session of the Standing Committee of the 5th NPC:

All Standing Committee members: The work of restructuring government organizations which is being carried out in our country is an important matter that has attracted the attention of the whole nation. In the past 2 months since the closing of the Fourth Session of the Fifth NPC, this work has been making fairly good progress. Its results are better than expected. I now deliver my report on this work for your examination.

1. The program for restructuring the State Council's organizations and its implementation:

The policy for our country has now been finally formulated, and the situation of stability and unity has been further consolidated. This calls for the restructuring of government organizations. Moreover, the conditions for this work are ripe. Doing this work well is very important to promoting our country's socialist modernization. As soon as the Fourth Session of the Fifth NPC ended, the State Council, while making an overall arrangement for government work in various spheres, immediately began a systematic restructuring of its various ministries and commissions according to the session's resolution. The CCP Central Committee gave explicit instructions concerning the principle for carrying out this work. Many important suggestions were also given by Comrade Hu Yaobang, Deng Xiaoping and by other Standing Committee comrades of the Political Bureau of the CCP Central Committee. A general program for restructuring the State Council's organizations has been initially formulated after it was discussed many times at State Council meetings, after it was repeatedly studied by responsible comrades of the ministries and commissions under the State Council and after hearing the opinions of and holding consultation meetings with various quarters. The work of restructuring the various ministries and commissions is being carried out actively and in an overall manner. The 12 units which began this work ahead of others have put forward a concrete program for the establishment of various organs, selection of leaders at the department and bureau level and determination of the numbers of staff members.

To restructure the State Council's organizations, it is, first of all, necessary to improve the State Council's system and method of leadership so as to strengthen its unified and centralized leadership and raise work efficiency. Therefore, we suggest that the number of vice premiers be reduced, that state councillors be appointed and that a permanent conference of the State Council be formed consisting of the premier, vice premiers, state councillors and a secretary general. The State Council now has 13 vice premiers. The number should be reduced to two. The position of state councillors will be roughly equal to that of vice premiers. While some state councillors will concurrently head ministries or commissions, others will be responsible for specialized functions. They may be entrusted by the premier or the State Council's permanent conference to carry out assigned work or some other important specialized tasks. In external affairs, they may be entrusted by the premier to play an important role as his representatives. The State Council's permanent conference handles the day-to-day work of the State Council. Chaired by the premier, it will make decisions on various fields of work and give guidance within the functions and powers of the State Council.

To raise work efficiency, it is necessary to pay attention to rational division of work and functions and capability in setting up the various ministries, commissions, agencies and offices under the State Council. In accordance with the principle of abolishing overlapping organizations and merging those that have similar functions, a plan has been drawn up to have the existing 98 ministries, commissions, agencies and offices under the State Council merged and reduced to about 52.

The number of ministries and commissions will be merged and reduced from 52 to 39; the number of agencies will be merged and reduced from 41 to 10; and the number of offices will be merged and reduced from 5 to 3. In addition, the State Council now has 45 nonpermanent organs such as provisional leading groups, offices and commissions. The majority of these organs will be abolished, and their work will be taken over by various ministries and commissions concerned. After streamlining, the State Council and its ministries and commissions will have a staff of approximately 32,000 as compared with the present 49,000, a cut by one-third.

Since the emphasis of the nation's work has been shifted to concentrate on socialist modernization, the State Council has given priority to guiding economic work. The work of the State Planning Commission must be further strengthened in order to boost the socialist planned economy and especially to successfully carry out the long-term plan of strategic importance.

Command of the routine economic activities of the state must be centralized and unified. The present situation of multiple leadership and diversified administration must be changed. It is for this reason that we have decided to reshuffle the State Economic Commission and expand its functions and authority as well as its scope of business. The state Economic Commission is responsible, in an overall way, for supervising and checking how the national economic plan is implementing in each fiscal year and for organizing and coordinating all economic and technical activities in a particular year for the various departments of agriculture, industry, capital construction, railway transportation, finance and domestic and foreign trade. The State Economic Commission is also responsible for organizing and carrying out changes to the state's economic system each year. The existing State Agricultural Commission, the State Machine Building Industry Commission, the State Energy Commission and the finance and trade group under the State Council will be abolished. Some of their work will be taken over by the reshuffled State Economic Commission, while other work will be carried out by the ministries concerned. The existing State Capital Construction Commission will be abolished. Its work will be shared by the new Ministry of Urban and Rural Construction and Environmental Protection and the reorganized State Economic Commission and the State Planning Commission. The main task of the State Scientific and Technological Commission from now on is to study policy with regard to science and technology, work with the State Economic Commission and the State Planning Commission to put forward major projects for scientific and technical research, and organize and coordinate with scientific and technical forces to tackle key problems. Planning work in the field of science and technology and the work in the field of production technology will be handled respectively by the State Planning Commission and the State Economic Commission so as to link science and technology even more closely with economic construction. The Office of National Defense Industry will merge with the Science and Technology Commission for National Defense to exercise unified control over tests for scientific research and production work in the national defense industry.

On the basis of the plans mapped out by the State Council, various ministries and commissions have taken immediate steps. The 12 units that are among the first restructuring group have already achieved gratifying results. The plan to merge the Ministry of Power Industry with the Ministry of Water Conservancy into a Ministry of Water Conservancy and Power, the plan to merge the Ministry of Commerce with the All-China Federation of Supply and Marketing Cooperatives and the Ministry of Food into a Ministry of Commerce and the plan to merge the Administrative Commission on Import and Export Affairs with the Ministry of Foreign Trade, the Ministry of Economic Relations With Foreign Countries and the Foreign Investment Control Commission into a Ministry of Foreign Trade and Economic Relations have matured one by one. After the merger of the administrative organ of the State Council in charge of the supply and marketing cooperatives with the Ministry of Commerce, the All-China Federation of Supply and Marketing Cooperatives will remain as a mass organization conducting necessary activities at home and abroad. The Ministry of Chemical Industry, the Ministry of Coal Industry and the Ministry of Textile Industry, whose systems will remain unchanged, have separately put forward their plans to simplify their internal structure and to reduce and merge the various departments and offices under each ministry as well as namelists of new ministers.



These plans will be put into effect immediately, and the ministries will begin their work according to the new system as soon as the above-mentioned plans are examined and approved by the current NPC Standing Committee session.

As seen from the reform plans submitted by the aforementioned 12 units, the situation of overstaffing and members of leading groups being too old will be greatly changed. After restructuring these units, the number of units at the ministry level will be reduced from 12 to 6, the number of administrative organs at the department and bureau levels will be reduced from 180 to 112, and their staff will be cut by 33 percent from 8,693 to 5,864. The greatest changes will take place in the leading groups at ministry and bureau levels. They will become smaller but will be highly capable. There will be far fewer deputy posts.

The number of ministers and vice ministers will be reduced from 117 to 27, a 77-percent cut. The number of department and bureau chiefs and deputy chiefs will be reduced from 617 to 304, a 51-percent cut. After restructuring these units, the average age of the leading cadres at the ministry level will be 57 compared with 64 at present. The average age of the cadres at the department and bureau levels will be 53 compared with 59 at present. In the leading group at the ministry level, 48 percent of all cadres will receive college-level education as compared with 31 percent at present. At the department and bureau levels, 45 percent of all cadres will receive college-level education as compared with 32 percent at present. Among the leading cadres, newly promoted are 2 ministers, 5 vice ministers and 57 chiefs and deputy chiefs of various departments and bureaus. The situation has indicated that we have made a gratifying step forward in making our cadres younger, better-educated and professionally more competent.

In the process of restructuring organs, the broad masses of cadres, particularly the old cadres, have displayed a high level of revolutionary awareness. Many veteran comrades have realized that this time we have taken the initiative in restructuring the state organs, done a good job in replacing the old cadres with new ones, abolished the existing system of life-long tenure for leading cadres and set good examples and rules for our descendants. These are the objective requirements for the development of our socialist cause. They are indeed of immediate importance and of far-reaching historic significance. Many old comrades have happily stepped down from their leading posts and enthusiastically recommended those comrades who are in the prime of their lives to take these posts. They have said it well: In order to advance, individuals must retreat so the cause of our party and state will forge ahead even more rapidly. After taking the initiative in applying for retirement and convalescence leave or retreating to the second line, many old cadres, in an effort to fulfill even better the historic task of restructuring organs, have continued to work hard for the nation. They have gone deep among the masses to conduct investigation and study, pondered various plans, looked for qualified people and conscientiously and responsibly put forward their own views. Many people are deeply touched by the earnest attitude of these old cadres in holding themselves responsible for the revolutionary cause and by their noble qualities in remaining loyal at all times. Many middle-aged and young cadres have expressed their determination to do a good job in learning from the old comrades, to remain prudent and humble, to work hard and to be good revolutionary successors. This contingent of our cadres deserves to be called the contingent cultivated and educated by the Communist Party of China over a protracted period and armed with Mao Zedong Thought. Keeping the entire situation in mind and seeking no personal interests, this contingent is completely trustworthy. The high awareness level of these cadres in setting store by the revolutionary cause constitutes an important guarantee in smoothly carrying out the work of restructuring organs.

Although the task of restructuring organs is arduous and large in scale, it has not disturbed or halted routine work in the past 2 months and more. The actual work of the government in various fields is being done under proper leadership and in good order. Our nation remains stable, and the political and economic situation in the whole country is good. This fully shows that after the implementation of the series of strong measures of setting things straight laid down since the 3d Plenary Session of the 11th CCP Central Committee, the political order has become stable and the political life normal. This also shows that the decision on streamlining government structure has the support of the people.



We are confident we have the ability to accomplish this major reform. The fear of difficulties, pessimism and inertia are completely groundless. Some people abroad who gloat over others' misfortune have commented that China is undergoing a "hopeless" reform. This kind of forecast will only end in complete bankruptcy.

2. Basic principles and several major tasks:

The restructuring of state government organs has made a good start. The task ahead of us is to sum up experience and push on in the flush of victory.

Early this year, Comrade Deng Xiaoping clearly pointed out at a meeting of the Political Bureau of the CCP Central Committee on the restructuring of organs: In a certain sense, restructuring of organs is a revolution, but this is a revolution in administrative structure, not against anyone. Comrade Xiaoping's judgment is absolutely correct and very important. At present, low efficiency, resulting from overlapping and overstaffed administrations with their multitiered departments and without clearly defined responsibility, has become intolerable. To uphold the socialist road and to realize the four modernizations, it is necessary for us to carry out this revolution. Without it, it would be impossible to fully implement the correct principles and policies of the party and government, nor would the problems of serious bureaucracy and low work efficiency be truly overcome, and our cause would be hopeless. Our basic principle is to carry out this important restructuring in a revolutionary spirit. In carrying it out, we can only advance, we cannot retreat. We must have great determination and our work must be careful and meticulous. First of all, we must have full confidence in victory and at the same time advance steadily and conduct thoroughgoing and painstaking ideological and organizational work well. The State Council's earlier organization restructuring was carried out in this spirit and we should continue to do so.

The State Council held that, in the course of the restructuring of organizations in line with the abovementioned basic principles and earlier practice, we must stress the proper solution of the following four problems through practical work:

First, the tasks and scope of responsibilities of various departments and their subordinate organizations must be clearly defined. We must, through this restructuring of organizations, resolutely change the situation of irrational division of work and poorly defined responsibilities. A person can only be employed for the job, and a job should never be created to accommodate a person. When things can be handled by a single organization, there is no need to set up others; when things can be handled by a single-level organization, there is no need to set up organizations at several levels; when things can be handled by a single person, there is no need to put several persons on the job. There should be rules specifying responsibilities and tasks for each organization and person. The organizational restructuring of the second group of advance units should proceed from serious discussion of the scope of responsibilities of the organizations concerned. From now on, all other units should do the same. After organizations are streamlined, it is necessary to thoroughly study work relations among various departments, from top to bottom and from left to right. For example, relations among ministries and commissions under the State Council; relations between the ministries and commissions of the State Council and the various provincial, municipal and autonomous regional governments and their subordinate departments and bureaus; relations between administrative and economic organizations; and how government organizations can manage and serve enterprises and business units more effectively; all these questions must be thoroughly studied and feasible rules and regulations formulated. The endless haggling and shirking of responsibility among nominal personnel in the past, was no doubt a manifestation of the bureaucratic style of work; nevertheless, this was caused to a large extent by the lack of clearly defined responsibility and division of work. Only by conscientiously solving problems in these areas can we do things for the people more effectively.

Second, able and virtuous persons should be selected to equip and build the leading bodies well. This is an important link. In various ministries and commissions under the State Council, the key is to properly equip the leading bodies in the ministries, commissions and departments and bureaus.

The leading bodies must be small but highly capable. The leading members must, step by step, be revolutionized, become younger, better-educated and professionally more competent. The number of ministers and vice ministers for each ministry is fixed at three to five, and the number of directors and deputy directors of each department and bureau is fixed at two to three. Under normal conditions, the age limit for a minister should not exceed 65, and the age limit for vice ministers, department directors and deputy and bureau directors in general should not be over 60. In some cases, the age limit may be slightly extended, with approval from the higher level, by taking into consideration the cadres' present situation and the fact that the changeover will take some time. This should be considered as a fixed period for transition. We should not select only from among existing members to equip the leading bodies, but must also pay attention to selecting younger cadres who have both ability and political integrity. Attention should also be paid to selecting women cadres and cadres of minority nationalities. Those who rose to power by "rebellion," following the Lin Biao and Jiang Qing gangs, those who have serious factionalist ideas, those who are proven smash-and-grabbers and those who in the past several years have politically and economically seriously violated law and discipline, should never be selected; none should be selected. Those already in leading bodies must be resolutely removed.

Third, the task concerning veteran cadres' retirement, departure from their posts for recuperation and retreat to the second line must be conscientiously planned. Starting now, the existing lifetime tenure system for leading cadres must be abolished, so that the task can be systemized.

Our country is a socialist country, founded after a protracted revolutionary war. A large number of veteran cadres, who carried out the most arduous struggle during the revolutionary war period, have also made tremendous contributions to the founding and consolidation of state power and to the initiation and development of the socialist cause after the founding of the country. A staunch contingent of cadres, with these veteran cadres as the backbone has been formed on all fronts. It is because of them that we have triumphed over many stormy waves, combated many difficulties and achieved tremendous success in our socialist practices over the past 30 years and more. To continue to carry forward the cause pioneered by the proletarian revolutionaries of the older generation and to forge ahead into the future, we must continue to rely on this contingent of cadres and must resolve the question of replacing veteran cadres with new in an orderly, systematic manner. As a considerable number of veteran cadres of the State Council's various ministries and commissions will retire and leave their posts for recuperation, all units must plan this task conscientiously and responsibly.

The principle task of the veteran cadres, after they have retired or left their posts for recuperation, should be properly finishing their own revolutionary history in their own words and educating the younger generation with their deeds. They should also work as much as they can to serve the people in an individually appropriate way. There will be no change in their political treatment and livelihood, and those comrades who really have problems in livelihood and medical care will be appropriately subsidized. Handling the issue this way accords with the will of the people. Aside from those who retire or leave their posts for recuperation, some veteran cadres are still physically sound and have relatively rich leadership experience and professional knowledge. But because of their age and the limited number of slots, they cannot enter the leading groups and have to retreat to the second line. Some of these veteran cadres can become advisers with certain responsibilities, some may take part in certain investigations and study and do advisory, consultative, inspection and supervisory work, and some may, within their capabilities, engage in scientific, educational and cultural activities or various other activities for the public benefit. In short, all this must be carried out so that each retiring veteran cadre has a role to play.

Fourth, rotational training for cadres must be strengthened so that the quality of the entire contingent of cadres can be improved.

This is a major project of strategic significance. Such a project was emphasized shortly after the founding of the country, but was later interrupted. We suffered a great loss from this seriously unwise move. Now we must put this project on the agenda of important affairs and must be determined to spend money on intellectual investment. Today the state organs are overstaffed by people, many of whom are not professionally proficient for lack of proper training. Certainly, this is not a good phenomenon. Nevertheless, the majority of these people have had considerable work experience and professional capability and can continue to contribute their efforts at their respective posts to socialist modernization. This is also a favorable factor in our rotational training of cadres by groups and by stages after our organs have been streamlined. For this reason, only the number of slots -- but not the number of staff workers -- for various departments is defined [ge bu men bian zhi zhi ding e bu ding ren 0677 6752 7024 4882 0455 0662 1353 7345 0008 1353 0086] while streamlining our organs. Regardless of regular or nonregular staff workers, so long as they are able to study, we must give them the chance to study and must organize them to study cultural knowledge and various skills needed in modern socialist construction on a rotational basis. After studying for some time, they should return to work; and after working for some time, they should return to study again. Their performance in the course of study and work must be assessed and, during the process, the outstanding cadres will be selected and promoted to more appropriate and more important posts where they are more needed.

Our cause is still developing, and people with various kinds of special new knowledge are urgently needed. When our rotational training of cadres has been carried out and when our cadres have become more capable, our cause will be able to develop in a still better and quicker manner, and the effects arising therefrom will be inestimable.

The State Council holds that government organizations can certainly be restructured in a sound manner by resolutely carrying out the above basic principles and main tasks. When the administrative structure is streamlined, working efficiency will certainly be improved. However, to really meet the requirements of the four modernizations, it is still necessary to further reform the economic management system and the work system and to improve the work style. We should make revolution not only to do away with overstaffing but to eliminate the irrational structure and systems as well as all forms of bureaucracy. As said before, the profound revolution we are making is aimed at restructuring those parts of the state administrative structure that do not meet the requirements of construction in the economic, cultural, political, legal and other fields; it is not a revolution against anyone. To better solve the most difficult problem of reforming the structure, the State Council proposes that a state committee for restructuring the economic system be established, with the premier concurrently serving as its chairman who is to be responsible for the overall design in the restructuring. No matter how big the difficulties and obstructions we will meet in carrying out the various reforms in future, we must overcome them with an indomitable revolutionary spirit and strive to build the State Council into a compact, highly efficient state organ that maintains close ties with the masses and tends very little toward bureaucracy.

3. The following measures, appointments and removals are submitted for approval:

A. The preliminary plan for restructuring the State Council is submitted for approval in principle. Approvals requested for the position of state councillors. Approval is requested for merging the Ministry of Power Industry and the Ministry of Water Conservancy into a Ministry of Water Conservancy and Power; the Ministry of Commerce, the All-China Federation of Supply and Marketing Cooperatives and the Ministry of Food into a Ministry of Commerce; and the State Administrative Commission on Import and Export Affairs, the Ministry of Foreign Trade, the Ministry of Economic Relations With Foreign Countries and the State Foreign Investment Commission into a Ministry of Foreign Trade and Economic Relations.

B. Approval is requested for the establishment of a State Committee for Restructuring the Economic System, with the premier serving concurrently as its chairman.

C. Approval is requested for the appointment of Qian Zhengying as minister of water conservancy and power, Liu Yi as minister of commerce, Chen Muhua as minister of foreign trade and economic relations and Qin Zhongda as minister of chemical industry. Gao Yangwen will continue to serve as minister of coal industry, and Hao Jianxiu as minister of textile industry.

D. Approval is requested for the removal of Li Peng as minister of power industry, Qian Zhengying as minister of water conservancy, Wang Lei as minister of commerce, Niu Yinguan as director of the All-China Federation of Supply and Marketing Cooperatives, Zhao Xinchu as minister of food, Gu Mu as chairman of the State Administrative Commission on Import and Export Affairs and chairman of the State Foreign Investment Commission, Zheng Tuobin as minister of foreign trade, Chen Muhua as minister of economic relations with foreign countries and Sun Jingwen as minister of chemical industry.

Committee members: Streamlining the government structure is a very arduous and complicated task, which we have only just started. As far as restructuring the State Council is concerned, the first group of units has submitted its streamlining plans to the NPC Standing Committee for approval. Upon approval, these plans will be carried out. Then, there will still be a lot of work to do. Other units have not yet submitted their streamlining plans. When they have finalized their plans, the State Council will report them in groups to the NPC Standing Committee. In the course of streamlining the government structure, it is imperative to ensure that both work and restructuring are not delayed. Under no circumstances are phenomena such as slackness in work, dislocation and confusion permitted, nor is it allowed to adversely affect work and production. Restructuring the government organs in the provinces, municipalities and autonomous regions will begin next year, except for in specific areas where conditions are already ripe and experiments may be conducted at some appropriate time with the approval of the State Council. In short, we are determined to overcome all difficulties, to unswervingly do a good job in streamlining the government structure, to continue to perfect the government work system, to get rid of bureaucracy and to raise working efficiency so that our government organizations will take on an entirely new look in their work and work style.

This concludes my report, and I request you committee members to examine and approve it.

#### Resolution on KMT Personnel

OW081958 Beijing XINHUA Domestic Service in Chinese 1541 GMT 8 Mar 82

[Text] Beijing, 8 Mar (XINHUA) -- The NPC Standing Committee's resolution on leniently releasing all the detained personnel of the former KMT party, government, military organizations and special agencies at and below the county and regimental level, adopted by the 22d Session of the 5th NPC Standing Committee on 8 March 1982:

The 22d Session of the 5th NPC Standing Committee, after examining the State Council's proposal on leniently releasing all the detained personnel of the former KMT party, government, military organizations and special agencies at and below the county and regimental level, has decided to release all of them and give them political rights.

#### Release of Personnel Begins

OW091243 Beijing XINHUA Domestic Service in Chinese 0146 GMT 9 Mar 82

[Text] Beijing, 9 Mar (XINHUA) -- In accordance with a resolution adopted by the 22d Session of the 5th NPC Standing Committee, public security and judicial organs in various parts of the country have begun to leniently release former Kuomintang party, government and military personnel and its special agents below the county or regimental level who are now being held in custody.

In 1975, our public security and judicial organs leniently released all former Kuomintang party, government and military personnel and its special agents at or above the county or regimental level held in custody (including those at the county or regimental level). There are now 4,237 former Kuomintang party government and military personnel and special agents below the county or regimental level serving sentences.

The namelists of those who are to be leniently released will be submitted by public security departments in charge of reform through labor to local intermediate people's courts for their ruling, and a letter of the ruling on the lenient release will be issued to each of them. In addition, a certificate of release will be issued to each of them by prisons or reform-through-labor teams where they now stay. When they are released, the government will give each of them a set of bedding and clothing suited to the season and 100 yuan as pocket money. Those who wish to return to their families will be provided with adequate fare. The concerned units will give a dinner party to welcome them.

The various localities will make proper arrangements for the personnel who are to be leniently released. Appropriate jobs will be assigned to those who still have the ability to work. They may also find jobs themselves. Those who are no longer able to work should be supported by their families, relatives or friends. Those who have difficulty in making a living will be given social relief by local governments. As for those who are homeless and have no relatives or friends to go to, the state will make arrangements for them according to their individual cases. The state will arrange appropriate jobs for those who have the ability to work, and those who have lost their ability to work will be provided for by the state. Those who wish to return to their families in Taiwan may do so, and the government will provide them with adequate fare and conveniences. Those who want to visit their relatives or to settle in Xianggang [Hong Kong], Aomen [Macao] or foreign countries should go through the normal formalities.

#### Weapons Convention Resolution

OW081854 Beijing XINHUA Domestic Service in Chinese 1543 GMT 8 Mar 82

[Text] Beijing, 8 Mar (XINHUA) -- Resolution of the NPC Standing Committee on ratification of the "convention on prohibitions or restrictions on the use of certain conventional weapons which may be deemed to be excessively injurious or to have indiscriminate effects" -- adopted by the 22d Session of the 5th NPC Standing Committee on 8 March 1982:

The 22d Session of the 5th NPC Standing Committee has decided to ratify the "convention on prohibitions or restrictions on the use of certain conventional weapons which may be deemed to be excessively injurious or to have indiscriminate effects" signed by Ling Qing on behalf of the Chinese Government on 14 September 1981.

#### Procuratorial Appointments

OW082022 Beijing XINHUA Domestic Service in Chinese 1549 GMT 8 Mar 82

[Text] Beijing, 8 Mar (XINHUA) -- List of appointments and removals approved by the NPC Standing Committee -- adopted by the 22d Session of the 5th NPC Standing Committee on 8 March 1982:

Wu Lian [0702 3425] is appointed chief procurator of the Qinghai Provincial People's Procuratorate. He Xia [0149 0204] is appointed chief procurator of the Shaanxi Provincial People's Procuratorate. Lu Shengyun [6424 0581 0061] is appointed chief procurator of the Shandong Provincial People's Procuratorate, and Liu Gan is relieved of his duties as chief procurator of the Shandong Provincial People's Procuratorate. Li Xizeng [2621 1585 2582] is appointed chief procurator of the Shanxi Provincial People's Procuratorate, and Li Jingwen is relieved of his duties as chief procurator of the Shanxi Provincial People's Procuratorate.



LI PENG, CHEN MUHUA COMMENT ON RESTRUCTURING

## Li Peng on Reform

OWO91220 Beijing XINHUA in English 1201 GMT 9 Mar 82

[Text] Beijing, March 9 (XINHUA) -- the Ministries of Water Conservancy and Power have been successfully merged in the last month and a half, demonstrating the smooth progress of the nation's current administrative reform, Li Peng, former minister of power, said today.

Li Peng has been appointed vice-minister of the newly combined ministries while Qian Zhenying, 59, former water conservancy minister, yesterday was appointed to head the new department by the Standing Committee of the National People's Congress. Altogether Li Peng said, four people will head the new ministry, a reduction from the 26 of the former two bodies. Staff has been reduced by half.

The move is part of the recent state campaign to reduce bureaucracy and streamline Chinese Government organizations, eliminating redundant, overlapping, unnecessary and inefficient functions. "The key to the streamlining is rigid application of the rules promulgated by the central party committee on age and numbers of leaders," Li Peng said.

Ministers, in general, may not exceed 65 years old, while vice-ministers and departmental directors must be 60 or less. The number of vice-ministers is restricted to four and deputy departmental leaders to three.

Both the Water Conservancy and Power Ministries oversee construction of similar projects. The two are the first of 12 under the State Council slated for pilot restructuring, Li Peng said.

Specifically, he said, the merger will affect common departments such as general and financial offices and cadre management bureaus. Other offices will be placed under strict financial accountability. As a result, 35 departments or bureaus in the two ministries have been reduced to 16 and 192 directors and their deputies reduced by 75 percent.

The six heads of the two ministries met Jan. 16 to draw up preliminary plans for the reorganization, Li said. Later, they also established staff-size and retirement plans. Three rounds of discussions on the proposals were held among all officials and staff. Recommendations for leaders of the new ministry were drawn from the nearly 1000 officials of the two ministries and their suggestions were presented to the State Council.

Average age of the head and her deputies at the new ministry is 60, five years less than that at the two old ministries, Li Peng said. Age of departmental directors and their deputies is 54, six years less than formerly. All leaders at the new ministry have experience in design, organization and direction of water conservancy and power projects.

More than 200 people above the age limit, except certain officials in good health who are to remain as advisers, will retire, Li said. They will continue to play a part in political and academic activities. Seven other former vice-ministers will lead grassroots organizations under the ministry, retaining their former salary and political position. A veteran cadre management committee will be established for the retirees and will provide facilities for study, recreation, housing and medical care.

The new ministry will rotate groups of redundant cadres through technical and management training courses, Li said. As for the rank and file, no one will go unemployed. Their wage will be paid as usual.

Liu Shutian, a former leader of the giant Gezhouba Dam water control project, the largest in China, and Chen Gengyi, both former vice-ministers of water conservancy, will head the newly established hydraulic power construction corporation, which comprises eight design institutes and 15 construction bureaus.

Jian Xianfu, 66, former vice-minister of the Power Ministry and head of cadre management, said she knew no veterans opposed to the reorganization. She herself, she said, had many times suggested the promotion of young cadres since 1980. "We veterans who fought for the founding of new China are now advanced in years. We are all ready to have younger people in the prime of life succeed us," she said.

#### Chen Muhua on Foreign Trade

OW090734 Beijing XINHUA in English 0719 GMT 9 Mar 82

[Text] Beijing, March 9 (XINHUA) -- Tightened administrative structures and a generally younger staff are intended to enable China to expand economic relations and trade with other countries, said Chen Muhua, newly appointed minister of foreign economic relations and trade, to XINHUA today. The 61-year-old minister said: "Agreements already signed between China and the governments of other countries will remain valid and current negotiations will continue."

The new ministry, she said, would take over the work done by the original ministries and commissions, continue to expand foreign trade and promote economic and technical cooperation with the Third World countries, make active use of foreign capital, import applicable advanced technology, organize the export of technology, and undertake contract projects and labor force cooperation.

Tasks shifted to the new ministry, she added, include examining and approving joint ventures with Chinese and foreign investment and examining and approving trade offices of foreign countries to be based in China.

The Ministry of Foreign Economic Relations and Trade has set up appropriate business institutions to carry on day-to-day work.

The new ministry has one minister and four vice-ministers. Their average is 58. In view of its heavy work load, the minister said, it also has three deputies to the minister. The present staff is only one-third the number of the four original ministries and commissions, she said.

#### JURIST DISCUSSES NEW CIVIL PROCEDURAL LAW

OW090044 Beijing XINHUA in English 0932 GMT 8 Mar 82

[Text] Beijing, March 8 (XINHUA) -- China's newly-adopted civil procedural law is based on concrete conditions in the country and incorporates strong points from other countries, said the noted jurist Chen Yisong today.

He said the new code would facilitate the work of people's courts and be convenient for litigants.

The stress on mediation was the most significant feature of the code, said Chen Yisong, who has worked as a lawyer for some 40 years in Japan and Taiwan Province and is now a member of the Standing Committee of China's National People's Congress. "From 80 to 90 percent of the civil cases and disputes have been resolved through mediation," he said. "On the other hand, to avoid protracted mediation without a resolution of the problem, the law also provides for prompt court decision made when mediation fails."



China's civil procedural law had 205 articles as against 500-600, even more than 1,000 articles, in many other countries.

Many articles of the law set time limits for handling a case. He gave, among other examples, the procedure that the people's court should file a case within seven days of receiving the indictment or verbal accusation, and the accused should present his reply within 15 days of receiving a copy of the indictment.

Another characteristic, he said, was that the court of second instance was the court of last instance. "If we follow the system of the court of third instance as the final instance and set no deadlines, as is done in Japan and many European and American countries, many cases may drag on for years," he said.

#### People's Mediation Explained

OW081408 Beijing XINHUA in English 0927 GMT 8 Mar 82

[Text] Beijing, March 8 (XINHUA) -- Up to 90 per cent of the civil cases in China have been resolved through mediation in the past few years, Chang Youyu, vice-president of the Chinese Academy of Social Sciences, told XINHUA today. The civil procedural law of the People's Republic of China just adopted by the National People's Congress Standing Committee affirms the legal status of people's mediation committees.

They have relieved the people's courts of many civil cases and ended numerous conflicts quickly, Chang Youyu said. This helped promote the unity of the people. Mediation committees handled 12.8 times as many civil and minor criminal cases as basic people's courts in 1981, statistics for twenty provinces, municipalities and autonomous regions show.

Methods used are persuasion, education and mediation, based on government laws and decrees.

China now has more than 800,000 mediation committees. They exist in urban neighborhoods, industrial and mining units, and rural production brigades. The 5 million and more mediators are elected by popular vote. They may be removed at any time during their two-year term of office by the electors for dereliction of duty.

Mediators are guided by state policies, laws and decrees under the supervision of the grassroots people's court. Successful mediation requires agreement by the parties involved. This, however, does not prevent an aggrieved party from turning to the people's court. A court decision will be promptly made when mediation fails.

The committees also help explain policies, laws and decrees and encourage morality and a good work style among the people.

Resolving civil disputes through discussion and mediation is a tradition that has been developed since new China was founded in 1949.

#### BIOGRAPHIES OF NEW STATE COUNCIL MINISTERS

OW082212 Beijing XINHUA Domestic Service in Chinese 1554 GMT 8 Mar 82

[Text] Beijing, 8 Mar (XINHUA) -- Biographical notes on newly appointed ministers of the State Council by decision of the 22d Session of the 5th NPC Standing Committee:

Qian Zhengying, female, 59, Han nationality, native of Jiaxing County, Zhejiang Province, has served as deputy director of the Shandong Huang He Bureau, deputy director of the East China Water Conservancy Department, president of the East China Hydraulic Engineering Institute, vice minister of water conservancy, vice minister and minister of water conservancy and power and minister of water conservancy.

Liu Yi, male, 51, Han nationality, native of Rushan County, Shandong Province, has served as secretary of the Shandong Provincial Food Department and Financial Commission, deputy section chief, section chief and director of the Shandong Provincial Finance Office and vice minister of commerce.

Chen Muhua, female, 61, Han nationality, native of Qingtian County, Zhejiang Province, has served as deputy section chief of the Communications Bureau of the State Planning Commission, deputy director of the Department of Integrated Equipment of the General Office for Economic Relations With Foreign Countries, deputy director of the Third Bureau of the Commission for Economic Relations With Foreign Countries, vice minister and minister of economic relations with foreign countries and currently minister of State Family Planning Commission and vice premier of the State Council.

Qin Zhongda, male, 58, Han nationality, native of Rongcheng County, Shandong Province, has served as director of the Dalian Chemical Works, deputy director of Northeast Industry Bureau, deputy director of Capital Construction Bureau, equipment department, technical supply bureau and Capital Construction Bureau and director of production control bureau of the Ministry of Chemical Industry and vice minister of chemical industry.

PREMIER ZHAO ZIYANG VISITS TANGSHAN 6, 7 MAR

OW091254 Beijing XINHUA in English 1233 GMT 9 Mar 82

[Text] Shijiazhuang, March 9 (XINHUA) -- Premier Zhao Ziyang made an inspection tour of the earthquake ravaged Tangshan city between March 6 and 7, where he met miners, construction workers, kindergarten children and residents of a newly-built housing estate. On the morning of March 7, Zhao Ziyang, concurrently vice-chairman of the Central Committee of the Chinese Communist Party, found himself among miners at workface No 5287 in the Tangshan mine under the Kailuan coal mines, one of China's biggest coal mining centers. During his two-hour stay in the pit, he asked miners operating a coal cutter-loader about the use of the machine and inquired into the miners' working and living conditions. During a break, Zhao Ziyang sat on a piece of mine timber and chatted with the miners around him, paying respect to them for their efforts to produce more coal for the country.

Zhao Ziyang arrived in Tangshan by train on the morning of March 6 after attending the national conference on industry and communications held in Tianjin. Immediately afterwards, he was found busy visiting people and places, riding together with local leaders in a tourist bus. He made inquiries about the rebuilding of the city and the life of the children orphaned in the July 28, 1976 earthquake which registered 7.8 on the Richter scale.

At a kindergarten, Zhao Ziyang saw the lunch prepared for the children and asked how the kids were cared for. Before that, he went from family to family in a newly-build residential quarter, talking with occupants of the new houses about their work and life.

On the afternoon of March 6, Zhao Ziyang had a discussion with leaders and workers of the Handan No two construction company, which has distinguished itself in helping with the rebuilding. Experience gained by the company in shortening the construction periods of projects, said Zhao Ziyang, was most valuable. He urged construction units throughout China to follow the example of the Handan No two construction company. By doing so, he said, much greater contributions would be made to the country.

On the afternoon of March 7, Zhao Ziyang visited the Douhe electric power plant on the outskirts of Tangshan and a ceramics plant.

During his two-day stay in Tangshan, he had discussions with the local leaders and heard briefing on the city's reconstruction and production. He urged the people of Tangshan to rebuild the city well. Zhao Ziyang was accompanied by Governor Li Erzhong of Hebei Province.

RENMIN RIBAO VIEWS PARTY MEMBERSHIP AFTER CRIMES

HK081212 Beijing RENMIN RIBAO in Chinese 3 Mar 82 p 3

["Questions and Answers on Party Knowledge" column: "On Handling the Party Membership of Communist Party Members Who Are Punished in Criminal Cases"]

[Text] Recently our readers have raised more questions on handling the party membership of Communist Party members who are punished in criminal cases. In accordance with the opinions of the Central Discipline Inspection Commission and the Organization Department of the CCP Central Committee, based on a discussion held last May, our answers to some of these questions are provided below:

Question: When a Communist Party member commits a crime, should he be arrested, prosecuted and tried only after he is expelled from the party?

Answer: When a Communist Party member violates the criminal law he should be arrested, prosecuted and tried. The judicial organs have the right to act in accordance with lawful procedures. It is not necessary for them to wait until disciplinary action is taken within the party before handling the case.

Question: Should all Communist Party members who are punished in criminal cases be expelled from the party?

Answer: Generally speaking, Communist Party members who violate the criminal law and are punished in criminal cases should be expelled from the party. However, there are some exceptions, detailed below, which can be handled more flexibly.

1. When a Communist Party member is sentenced to no longer than 3 years' imprisonment with a certain period of reprieve, to forced labor, to be put under public surveillance or other light penalties without being deprived of political rights, he may or may not be expelled from the party depending on his usual practices and the seriousness of his crime. However, he should be punished by party discipline. Counterrevolutionary crimes are not included in this.

2. If a Communist Party member commits crimes merely by making mistakes in his work or because of lack of professional knowledge and experience and is then sentenced to short-term imprisonment and is jailed, but he used to do very well in his work and is still qualified for party membership, then he should not necessarily be expelled from the party but should be given disciplinary punishment within the party. While he is in jail, he cannot participate in the party's organizational life.

3. If a Communist Party member is expelled from the party because he committed a crime, and he reapplies for party membership when he is released after serving his sentence, according to the party constitution, the application can be approved by a party committee of the higher level if, after investigation, he is considered to be really qualified for party membership.

Question: When should a Communist Party member who has violated the criminal law be subject to inner-party disciplinary punishment?

Answer: Disciplinary action within the party can be taken against those members who have violated the criminal law either before the arrest and prosecution (if the criminal acts have been investigated and checked), or after sentencing by the court. This can be decided according to the nature of the cases or be decided at a suitable time. There is no rigid stipulation in this regard. In dealing with these cases, the party's discipline inspection departments must take concerted action with relevant judicial departments so that correct decisions can be made at the right time.

The above-mentioned opinions of the Central Discipline Inspection Commission and the Organization Department of the CCP Central Committee supersede all previous stipulations in this regard including those running counter to them. However, those cases which have been handled in accordance with the stipulations of the CCP Central Committee in 1954 will not be reexamined.

LEADERS ATTEND MEMORIAL FOR FORMER PLA OFFICIAL

OW082342 Beijing XINHUA Domestic Service in Chinese 1605 GMT 8 Mar 82

[Excerpts] Beijing, 8 Mar (XINHUA) -- Qiu Chuangcheng, outstanding member of the CCP and formerly deputy director of the PLA General Logistics Department, died of cancer in Beijing on 21 February 1982 at the age of 70. A memorial meeting for Comrade Qiu Chuangcheng was held this afternoon at the auditorium of the Babaoshan cemetery of fallen revolutionaries.

Wreaths were sent from Ye Jianying, Deng Xiaoping, Liu Bocheng, Xu Xiangqian, Nie Rongzhen, Wang Zhen, Wei Guoqing, Xu Shiyu, Li Desheng, Zhang Tingfa, Song Renqiong, Huang Kecheng, Tan Zhenlin, Xiao Jingguang, Su Yu, Yang Shangkun, Zhang Aiping, Han Xianchu, Yang Yong, the Military Commission and Organization Department of the CCP Central Committee, various PLA general departments, the Fifth Ministry of Machine Building and other units.

Li Xiannian, Yu Qiuli, Geng Biao, Ni Zhifu, Xi Zhongxun, Yang Dezhi, Bo Yibo and Chen Xilian attended the memorial meeting.

Wang Ping, political commissar of the PLA General Logistics Department, presided over the memorial meeting. Hong Xuezhi, director of the PLA General Logistics Department, delivered the memorial speech.

Representatives of cadres and the masses of the PLA General Logistics Department, the Artillery Corps and the Fifth Ministry of Machine Building -- more than 1,000 people in all -- were present at the memorial meeting.

HONGQI ARTICLE URGES IMPROVING PARTY WORK STYLE

HK081428 Beijing HONGQI in Chinese No 4, 16 Feb 82 pp 2-5

[Article by HONGQI editorial department: "Pull Ourselves Together in Establishing a Good Party Work Style"]

[Text] Over 5 years have passed since the smashing of the "gang of four." The history of over 5 years can be subdivided into three stages. The first stage was from the smashing of the "gang of four" to the 3d Plenary Session of the 11th CCP Central Committee. In these 2 years, we did a lot of work but there were also some shortcomings in our work. Comrade Deng Xiaoping referred to this as advancing amid hesitation. The second stage was from the third plenary session to the sixth plenary session in which we brought order out of chaos in an all-round way and began to shift the focal point of the party's work to economic construction. The third stage was from the sixth plenary session, that is, from July 1981 to the present. The communique of the sixth plenary session states: "This session will go down in history for fulfilling the historic mission of setting to rights things which have been thrown into disorder in the guiding ideology of the party." That is to say, in the guiding ideology of the party, the historic mission of setting to rights things which have been thrown into disorder has been fulfilled. Naturally this does not mean that in practical work all the tasks of bringing order out of chaos have been fulfilled. For example, in implementing the policies a lot of work is yet to be accomplished and there are also similar cases in other aspects. What should we do then in the days to come? What is the focal point of the work of the whole party? The resolution of the sixth plenary session states: "This session calls upon the whole party, the whole army and the people of all nationalities to act under the great banner of Marxism-Leninism and Mao Zedong Thought, closely rally around the CCP Central Committee, preserve the spirit of the legendary foolish old man who removed mountains and work together as one in the defiance of all difficulties so as to turn China step-by-step into a powerful modern socialist country which is highly democratic and highly cultured."

The most important part of this paragraph is the spirit of the legendary foolish old man, of working together as one, defying all difficulties and building a powerful modern socialist country which is highly democratic and highly cultured. The task has been presented very explicitly. According to this guideline, in reviewing the historical process of the past 5 years and more, we can summarize it into the following points: First, putting an end to the confusing state of affairs; second, setting to right the reversal of right and wrong; third, developing the national economy; and fourth, building socialist spiritual civilization. It will take several decades of arduous struggle to gradually build our country into a modern socialist country which is highly democratic and highly cultured. As stated at the sixth plenary session, it is all the more necessary for us to concentrate our efforts on the socialist modernization drive and build socialist material and spiritual civilization in an all-round way. Efforts should be made to achieve greater progress year after year in the economic, political, cultural and social development of our country.

To promote our cause year after year, the crucial issue is that of the party, that is, to build our party well. Building our party well depends on, first, whether the party's line, principles and policies are correct and second, whether the party's ranks have firm combat strength. It is necessary for all the comrades in the party to constantly pay close attention to the two questions. On the question of line, principles and policies, Comrade Mao Zedong was quoted as saying that line decides everything, which means that the correctness or incorrectness of the line, principles and policies and their conformity or lack of conformity with reality decide the success or failure of the entire cause of our party. Over the past 3 years, that is, since the third plenary session, China's internal situation has improved immensely under the guidance of the whole series of correct line, principles and policies of the CCP Central Committee. Naturally, with the constant development of history, new situations and new problems have constantly emerged, and the party's line, principles and policies should also be constantly enriched, developed and perfected. Therefore, all comrades in our party should unservingly and unhesitatingly support the present line, principles and policies of the CCP Central Committee. At the same time, we should also open up new prospects by constantly studying new situations, finding new methods and solving new problems. All comrades in our party should pull themselves together and be prudent in order to remain sober-minded and correct in the line, principles and policies and avoid making great mistakes.

Now the major problem confronting us is that of the second aspect, that is, the lack of combat strength in the ranks of our party. This is a widespread problem and a very grave one at that. On many occasions during the Yanan period, Comrade Mao Zedong pointed out that the lack of combat strength in some of our party organizations was due to three factors, that is, ideological and organizational impurity and inappropriate work style. His analysis is still of great guiding importance today. This makes it necessary for us to pay constant attention to the ideological and organizational impurity and inappropriate work style in the party organizations. This is a fundamental question in striving for a decisive improvement in party work style.

Ideological impurity may have different manifestations in different historical periods. Before the Yanan period, ideological impurity manifested itself mainly as subjectivism, namely, dogmatic subjectivism. Today, ideological impurity manifests itself mainly as bourgeois liberalism and ultraindividualism that has contaminated the minds of some party members. They do not have confidence in the proletariat, in socialism or in the party. Instead, they have faith in the bourgeoisie and capitalist countries and practice ultraindividualism. At the same time, some people still have remnant feudal ideas or have not eliminated the "leftist" ideas in their minds.

An inappropriate work style means bureaucracy and the serious tendency to be alienated from the masses. Comrade Deng Xiaoping in his criticism stressed bureaucracy and the tendency to be alienated from the masses. Overlapping and overstaffed administration, shifting responsibility onto others and arguing back and forth over small things, doing one's work without investigation and failure to criticize and fight unhealthy tendencies are all manifestations of bureaucracy.



Ideological impurity refers to the fact that there are party members who have totally departed from the party's correct stand and are completely unqualified for party membership. Some of them may be called remnants of the "gang of four" or the gang's cat's paws. They are "party members" who are shameless and who do not have the slightest bit of what it takes to make a Communist Party member. Are there a great number of these people? We must not overestimate their strength, but neither should we underestimate it. We should maintain a high degree of vigilance against it.

The tendency to ignore or even oppose the party's leadership as well as activities in violation of law and discipline are examples of problems in the party's ideology, work style and organization. Some people oppose the present policies of the CCP Central Committee under various banners. For example, they flaunt the banner of representing the interests of the party and the people or defending certain interests or even flaunt the banner of upholding the dictatorship of the proletariat, which in fact they oppose the party's line, principles and policies, oppose socialism and oppose the party's guiding ideology -- Marxism-Leninism-Mao Zedong Thought. Some other people wantonly engage in activities in violation of law and discipline, such as practicing graft, giving and accepting bribes and engaging in smuggling and selling of smuggled goods in a big way. In some localities, they have cheated the state of its property and caused several millions of yuan or tens of millions of yuan in property losses to the state. There are also some people holding leading posts who have been irresponsible in their work for a long time with the result that the work and the cause suffer and both the state and the people suffer losses. Furthermore, cadres at the county and commune levels in some localities refuse to go to work in order to do farm work at home all the year round. They receive wages from the state as usual while deriving income from farming. Can this state of affairs be allowed to exist?

At present, what merits our particular attention is that some cadres who are party members, and even some cadres holding leading posts, have also committed serious illegal and criminal acts, such as smuggling and selling smuggled goods, embezzling or taking bribes and grabbing large quantities of state property. These illegal and criminal activities in the economic field have damaged the party's prestige and aroused the indignation of party members and the masses of people. This is a life-and-death question for the party. The whole party must pay close attention to it and deal with it resolutely, seriously and conscientiously. Severe punishment must be meted out to those criminals proven to have committed serious crimes, especially those who occupy leading posts. We should not be irresolute and hesitant, for to tolerate evil is to abet it.

Over the past few years we have talked about the question of party work style in our press almost every day. Comrade Chen Yun's words that "the question of work style of a party in power is one that has a strong bearing on the life and death of the party" in particular have been relayed to all people, high and low. There are quite a few people, however, who, when criticized, will say that it refers to others and that they are an exception. The words and deeds of these people who pose as exceptional party members and who disregard law and discipline have reached an intolerable degree of seriousness.

Over 5 years have passed since the smashing of the "gang of four" and over 3 years have passed since the convocation of the 3d Plenary Session of the 11th CCP Central Committee, but the party work style has not fundamentally improved. Why? There may be various reasons but, generally speaking, there are roughly four points:

First, there is a lack of good understanding of the situation. Quite a few CCP committees do not have a good understanding of the situation. What problems do you have in your units? Have you discovered them? Have you investigated them? They have no idea about them. A few CCP committees fail to investigate the problems when they discover them, but they always put in a good word for the cadres at the lower levels.

They turn big problems into small problems and small problems into no problems at all by saying that the work in their unit is really a hard nut to crack and that there are a lot of practical difficulties and so on. Without understanding the situation, it would be impossible to make a correct strategic decision or a correct determination. Comrade Mao Zedong said while he was in Yanan that some people are completely in the dark about the situation and try to catch sparrows by closing their eyes. Sparrows can fly. How is it possible to catch them by closing one's eyes?

Second, some comrades do not keep a clear head or a clear orientation. For a time, improving party work style has been exclusively a question of eliminating special privileges, which is inappropriate. We do not mean that special privileges should not be opposed, but if we reduce the question of party work style, which has a bearing on the whole party and on various aspects, into one of special privileges, we will certainly come to grief. They are two basically different things. In improving party work style, it is first of all necessary to pay attention to the question of political line, to the question of ideological and organizational impurity and inappropriate work style and to their concentrated manifestations at present.

Third, some comrades have incorrect methods of work. That is to say, they do not bring into play the positive factors of the whole party and do not mobilize the masses. Good comrades account for the great majority in our party and it is necessary to ask them to air their views. It will not do to rely on just a small number of people. We should rely on the numerous good cadres and the activists among the broad masses to overcome the unhealthy tendencies, to wage struggles against activities in violation of law and discipline and to punish the extremely small number of people who have seriously violated law and discipline, particularly those active criminals.

Fourth, some comrades in our leading organs, particularly the various departments and commissions of the CCP Central Committee and the leading organs at the provincial and municipal levels, do not have sufficiently strong determination. They always say that this matter involves numerous difficulties and it is impossible to solve it. First they say, "let us leave it at that" then, "let us go about it slowly." They say that lice will not bite when there are too many of them. How can that be? Since there are so many lice, it is necessary to catch them one by one. Naturally we should go about things steadily and reliably but we should have strong determination. Without determination, bringing order out of chaos is out of the question. Let us consider the following matters. Over the past few years we have brought order out of chaos on a few major problems.

Can we achieve this without determination? The sixth plenary session has solved two major problems: one is the resolution on certain questions in the history of our party and the other is the leading body. Can we achieve this without determination? In dealing with some matters, we should be vigorous and resolute regardless of the difficulties and strictly enforce orders and prohibitions. Many of our good comrades have over the past few years acquired the bad habit of trying not to offend anybody. They do not dare to offend others and carry out criticism and self-criticism, preferring to "plant more flowers but fewer brambles." It will be impossible to improve party work style if the situation goes on like this. The CCP committees and discipline inspection commissions at various levels should unite closely around the CCP Central Committee, and an important sign of this close unity is to pull ourselves together in establishing a good party work style. How can we unite closely around the CCP Central Committee in the absence of this point? In brief, without having a firm grasp of party work style, we cannot begin to talk about uniting closely around the CCP Central Committee. If we succeed in establishing a good party work style and party discipline, all other problems can be easily solved.

In order to fundamentally improve party work style, all party members and party cadres, especially leading cadres at various levels, must strictly uphold the principles guiding the political life of the party and carry out criticism and self-criticism conscientiously instead of perfunctorily and superficially. Every Communist Party member should conscientiously examine his words and deeds, especially his behavior since the 3d Plenary Session of the 11th CCP Central Committee in order to determine whether he meets the criteria of a party member and whether he has fulfilled his duty as a party member.



example, we should ask ourselves: first, whether we have resolutely implemented the party's line, principles and policies; second, whether we are conscientious in the tasks entrusted to us by the party and in our jobs; third, whether we have exemplarily abided by and have not violated the principles guiding the political life of the party and the laws and decrees of the state; fourth, whether we have upheld the party principles and dared to resist and wage struggles against bourgeois liberalism, ultraindividualism, anarchism, bureaucracy in the party as well as the erroneous words and deeds of forming factions and engaging in factional activities; and fifth, whether we have been concerned with the masses, have linked closely with the masses and shared the comforts and hardships of the masses. These are the major signs that determine whether a party member has a good party character, work style and discipline. We believe that so long as each of our party members sets strict demands on himself according to the criteria of party character, work style and discipline and is ready to correct his mistakes, there will certainly be a marked improvement in the work style of our party.

All party members must remember that our party's sole purpose is to serve the people. Over the past several decades, our party has made indelible contributions to the national liberation and the victory of the socialist cause and enjoyed the respect and confidence of the people of all nationalities throughout the country by fighting valiantly and advancing wave upon wave. Now we are shouldering the heavy historical responsibility of leading the people of the whole country in building a powerful modern socialist country. The 1 billion people are placing high hopes on us and the examples of innumerable revolutionary martyrs are encouraging us. Can we not continue to give play to our exemplary vanguard role and further raise the party's combat effectiveness? How can we tolerate the continued contamination of our party by various filthy elements? The noble character of our fighters lies in getting rid of the old to make way for the new. In the new struggles, the whole party should strive for new victories by promoting our militant spirit and uniting the people of the whole country!

#### GOOD WORK STYLE SHOWN BY COAL MINISTRY OFFICIALS

HK090603 Beijing HONGQI in Chinese No 4, 16 Feb 82 pp 39-40

[Ideological commentary by Lin Wenshan [2651 2429 1472]: "Bowling One's Head, Giving Way to Others"]

[Text] Good news spread on New Year's Day: At the forum on Comrade Chen Yun's article -- "Tell the Truth, Do Not Save Face" -- which had just been published, some old comrades who had been struggling for the revolutionary cause for several decades made some very sincere remarks. In brief, they urged us to tolerate no violations of the law and breaches of discipline, and not to give way to evil practices.

At the end of the 1950's, our party courageously mobilized the Chinese people to start off a discussion on how China could open up a path for industrialization on its own. A stirring slogan was raised during this discussion -- "make the mountains bow their heads and the rivers give way." Due to the mistake in guiding ideology, this discussion did not score good results as expected but brought about the severe failure of the "Great Leap Forward." For this reason, the above slogan seemed to have become the synonym for boasting. In fact, to make the mountains bow their heads and the rivers give way is not an impossibility. During the 32 years since the founding of the PRC, we build railways such as the Baoji-Chengdu line, the Chengdu-Kunming line, the Xiangyang-Chongqing line and so on; we completed key large-scale water conservation projects such as the Liujiazia project, the Longyangxia project, Gezhouba Dam and so on; we also erected the Xiamen dike. None of these could be accomplished without removing mountains, damming rivers and reclaiming land from the seas. Examples like these are innumerable. The key is that we have to follow the objective law in things while getting rid of subjectivism. Therefore, the proletariat's indomitable boldness of vision which is reflected in the slogan should never be negated. Truth is on the proletariat's side, and our cause is a just one which is bound to win. All the forces which obstruct history from moving ahead will be forced to surrender and give way to the revolutionaries.

One of the consequences which the 10 years of turbulence brought to us is the large number of problems which constitute obstacles before us like "mountains" and "rivers." Offenses against the law and discipline can be considered as a mountain and evil practices as a river. This mountain severs our flesh-and-blood ties with the masses of the people, and prevents us from advancing, while that river may run rampant and flood the results which we have scored. Irremediable losses for the state and the people will be caused if we just let such a "mountain" and "river" remain. Whether this mountain bows its head or we bow ours, whether this river gives way to us or we give way to it, this problem is certainly a matter of life and death to our party and our country.

For the proletariat, there is but one answer: Never bow your heads to offenses against the law and discipline, and never give way to evil practices. Fortunately, there is one thing we can be gratified about: Quite a few advanced units and advanced individuals who resolutely fight against evil trends are emerging under the leadership of the CCP Central Committee. The Ministry of Coal Industry is a good example.

A kind of "flowing backward" has been prevalent in the Ministry of Coal Industry. Some children and relatives of cadres on coal industrial front refused to work in coal pits as excavators and tried to get transferred from coal pits to offices. This was an unhealthy trend. So, the leading comrades of the Ministry of Coal Industry made up their minds to uphold principles, and redress without wavering the wrong tendency of "flowing backward." They laid down strict requirements, took effective measures and carried out conscientious examinations. They courageously criticized those cadres who did not do their best in implementing the regulations. They even went as far as to criticize them by name in newspapers. They bravely handled cases of those illegally transferred personnel, and even dismissed those who refused to return to coal pits and prohibited all coal industrial enterprises from reemploying them. Such boldness of vision which the leading comrades of the Ministry of Coal Industry showed in refusing to surrender and give way to the practices of "flowing backward" was really great. It can serve as a good example for the redressing of party work style. Being soft on a specific problem, "giving wrongdoers a way out," and letting those who are doing evil take advantage without being punished will only encourage offenders of the law and discipline, give the green light to evil practices and thus reduce the redressing of party work style to empty words.

Both offenses against law and discipline and evil practices can spoil social customs and thus hurt the party, the country and the people. Those persons who do shameful things like these are not up to the basic moral standards for a citizen, not to mention the qualifications for CCP membership. Every person with normal intelligence can clearly see the fact that offenses against law and discipline and evil practices go against the will of the party and the people that they are adverse currents, nonessentials and undercurrents. The vast number of cadres and masses have long been very disgusted with such phenomena. Now that these phenomena constitute obstacles before us like "mountains" and "rivers," our party Central Committee has made the decision to completely check and thoroughly eliminate them. Both the people's will and the party's determination show us that no offense against the law and discipline and evil practice can be allowed to exist on the land of our great socialist PRC. We must live up to our word and should never stop until our goal is reached. This calls for an integration of leaders and the masses, and the mobilization of the whole people. First of all, those who are undertaking leading posts should take the lead in observing law and discipline and should never surrender and give way to the unhealthy tendencies existing in their own minds; those who have committed errors should take the lead in carrying out self-criticism and redressing mistakes. We call this bowing our heads to truth. At the same time, we must give strong support to those cadres and masses who resolutely struggle against unhealthy trends. We call this giving way to able and virtuous people who are on the side of truth.

Bowing our heads to truth and giving way to able and virtuous people also embody the great boldness of vision of the proletariat who keep to the direction of historical development. Such a boldness is needed in the struggle against the unhealthy trends as well as in other work. The leading comrades of the Ministry of Coal Industry have done well in these fields too. Faced with the poor fulfillment of the coal production task, Comrade Gao Yangwen, minister of coal industry, carried out a self-criticism at a meeting; and then, made a self-examination over radio and in newspapers before the people of the whole country, admitting that the main reason for the poor fulfillment lay in inefficient leadership and low morale. He took no account of his personal prestige and did not worry that "making self-criticism would make him lose face." So, he surrendered to truth and took the lead in resuming our party's fine tradition of self-criticism. After that, six old comrades in the Ministry of Coal Industry resigned on their own as vice ministers and retreated to the second line so as to give way to able and virtuous persons -- to allow those comrades in their prime of life to give a better play to their abilities. In acting in this way, the leading comrades of the Ministry of Coal Industry have set examples for all of us. Then why should we doubt the possibility of a successful redressing of party work style since our comrades are armed with such a proletarian boldness of vision?

In the last few years, under the leadership of the CCP Central Committee, the party's work style has been improved and its prestige among the masses of the people has been upgraded. It is wrong to ignore this fact. Now, the problem is how to strive for a fundamental favorable turn for the better in the party's work style. And the key is to emulate the Ministry of Coal Industry; never bow our heads to offenses against the law and discipline and never give way to evil practices; but bow our heads to truth and give way to able and virtuous persons.

#### STATE COUNCIL ISSUES HOUSING-CONSTRUCTION RULES

OWO90613 Beijing XINHUA Domestic Service in Chinese 1240 GMT 5 Mar 82

[Text] Beijing, 5 Mar XINHUA -- The State Council on 13 February promulgated the "regulations on administration of land for housing construction in villages and towns." A State Council circular on promulgating the "regulations" says that in order to enable these regulations to be implemented at the grassroots level as soon as possible, it is hoped that the people's governments of all provinces, municipalities and autonomous regions will make the best use of time to study and formulate the methods of implementation, which must be integrated with the actual situation in their own regions, and will set regulations regarding the limit of the land that can be used for housing construction in villages and towns and regarding the specific authority of the province, municipality and county to examine and approve use of land. The circular also says that the people's governments of various provinces, municipalities and autonomous regions must supervise and urge the county governments in areas under their jurisdiction to quickly draw up specific standards for residential areas, speed up planning and establishing a system of examining and approving housing construction in villages and towns so that there will be regulations to follow and people to administer the system and that the trend of disordered occupation and misuse of farmland will be stopped.

The circular adds that the incidences of seizing farmland for housing construction and buying, selling and leasing land for housing construction -- incidences that took place before the promulgation of the "regulations" -- should be seriously handled according to the relevant rules in the "regulations."

The "regulations" have 25 provisions under 6 chapters: general rules, unified planning, standards for use of land, examination and approval system, awards and penalty, and supplementary rules.

The "regulations" stress in the "general rules" that plans for housing construction in villages and towns must be unified and use of land must be economized, and that wherever barren land can be used, farmland must not be used, and wherever there is slopeland and infertile land, then level land, good land and farmland must not be used.

The "regulations" reiterate that land of the people's commune, production brigade and production team is the collective property of the commune, brigade and team. Peasants are only entitled to use, but not to own, their residential land, private plots, private hills, forage plots and land contracted to them, and they are not allowed to construct houses and graves, open up mines or destroy cropland to produce bricks and tiles on private plots, private hills, forage plots and land contracted to them.

The "regulations" stipulate that buying, selling and illegal transferring of land for housing construction are strictly prohibited.

The "regulations" point out that, within a village or a town, an individual who wants to build a house or a commune or a brigade that wants some land for building an enterprise or an establishment must go through the procedures of application, examination and approval according to regulations.

The "regulations" say that under the chapter of "awards and penalty," whoever seizes collective land for building houses or other construction projects without authorization must return the land to the collective and must be fined and those who cause economic losses must account for the losses. With regard to commune or brigade cadres and staff workers of state organizations, they must be subjected to administrative disciplinary measures according to the seriousness of each individual case.

The "regulations" stipulate that, if the authorized area for housing construction and other construction projects has been exceeded, or if a piece of land is not used after approval, the exceeded portion and the unused land must be returned to the collective within a time limit.

The "regulations" stress that administrative, economic and even criminal responsibilities will be investigated involving commune or brigade cadres and workers of state organizations who, in the course of examining and approving the use of land for housing construction, are found guilty of using their authority to engage in malpractices for selfish ends and in taking retaliatory actions against people making grievances.

#### NATIONAL PETROLEUM CONFERENCE VIEWS PROSPECTING

OW080618 Beijing XINHUA Domestic Service in Chinese 1309 GMT 6 Mar 82

[Text] Daqing, 6 Mar (XINHUA) -- The national petroleum work conference recently held in Daqing suggested that the petroleum industry should energetically step up prospecting and exploration of petroleum resources, improve the results of exploration and strive to continue a steady increase of crude oil production after attaining the 100 million dun level.

The initial evaluation by the petroleum departments in recent years of the country's petroleum resources in the eastern part, and the western areas on land and at sea, shows that the conditions are good concerning petroleum resources, and the potential for increasing the petroleum reserves is tremendous. All this provides excellent objective conditions for gradually increasing the crude oil output in our country after attaining the 100 million dun level. What we should do now is vigorously step up prospecting and exploration so as to bring about a new situation and quickly increase petroleum reserves. To this end, the conference urged all oilfields to place prospecting and exploration at the highest priority and employ every means to improve the efficiency and results of prospecting and exploration. Efforts should also be made to adopt and report new techniques in prospecting and exploration in order to solve prospecting and exploration problems in areas where geological conditions are complicated. Responsible persons of various oilfields also expressed at the conference that they would provide more funds on their own for use in prospecting and exploration.

The conference exchanged the experiences of various petroleum enterprises in appraising work quality, learning from the advanced, finding out where they had lagged behind and in stepping up the building of worker contingents. The conference also discussed the principles governing the overall reorganization and management improvement of petroleum enterprises as well as the raising of economic results. Specific plans were also presented.

HEBEI RIBAO STRESSES STUDY OF PARTY HISTORY

HK040956 Shijiazhuang HEBEI RIBAO in Chinese 17 Feb 82 p 4

[Report: "'On Questions of Party History in the Socialist Stage' -- Excerpts From Speech by Comrade Liao Gailong [1675 5556 7127] at a Lecture Course for Teachers of Party History at Institutes of Higher Education Throughout the Country"]

[Text] Editor's note: At the request of the Ministry of Education, Comrade Liao Gailong, deputy director of the CCP Central Committee party history research section, gave a report entitled "On Questions of Party History in the Socialist Stage" on the morning of 7 February at the lecture course for teachers of party history at institutes of higher education throughout the country, which is held in Shijiazhuang. He talked mainly about whether it is necessary to continue teaching party history at institutes of higher education and on several questions of party history in the socialist stage. The first part of excerpts of this report follow: [end editor's note]

Is it necessary to continue teaching party history at institutes of higher education? I think so. Only if we continue teaching party history can we meet the needs of upholding and implementing the party's four basic principles, and only then are we acting in accordance with the spirit of the "Resolution on Certain Questions in the History of Our Party Since the Founding of the People's Republic of China."

The principle of upholding party leadership is the most important of the four basic principles. Only by studying and researching party history can we understand what correct party leadership is; can we understand what difficulties and setbacks we had gone through before the party's existing correct line, principles and policies were formulated; can we conscientiously implement them; and can we conscientiously uphold party leadership. Will upholding party leadership not otherwise become empty talk? Is it not contradictory to talk about upholding party leadership while trying to cancel courses in party history?

Another principle which is closely related to the principle of upholding party leadership is the principle of upholding Marxism-Leninism-Mao Zedong Thought. The reason why the CCP leadership is correct is that it persists in integrating the universal truth of Marxism-Leninism with the concrete practice of the Chinese revolution. Mao Zedong Thought is the theoretical generalization and summing up of the experience of the long-term revolutionary practice of the CCP and the Chinese people. The CCP's 61-year history is a history of the practical utilization and development of Marxism-Leninism in China and is a history in which the CCP's scientific theory took shape and developed. (For a long time, this theory was chiefly represented by Mao Zedong Thought.) The content and essence of the CCP's history are living Marxism-Leninism-Mao Zedong Thought put into action. Only by studying and researching party history can we truly understand what Marxism-Leninism-Mao Zedong Thought is. It can be said that the courses in party history are comprehensive basic courses in Marxism-Leninism-Mao Zedong Thought. Only by studying and researching party history can we conscientiously uphold Marxism-Leninism-Mao Zedong Thought. Will not upholding Marxism-Leninism-Mao Zedong Thought otherwise become empty talk as well? Is it not contradictory to talk about upholding Marxism-Leninism-Mao Zedong Thought while trying to cancel the courses in party history?

In order to uphold the people's democratic dictatorship, that is, the proletarian dictatorship, it is also imperative to study and research party history. This is because the people's democratic dictatorship in our country took shape and developed in history. The nature of our country's people's democratic dictatorship is guaranteed by upholding party leadership and Marxism-Leninism-Mao Zedong Thought. The people's democratic dictatorship had its own policies and principles while it was taking shape and developing in history. These policies and principles can only be understood by studying and researching party history. Therefore, only by studying and researching party history can we conscientiously and correctly uphold the people's democratic dictatorship.



Finally, in order to uphold the socialist road, it is also imperative to study and research party history. This is because party history is a history in which the CCP led the Chinese people of all nationalities in achieving victory in the socialist revolution and scoring great achievements in socialist construction. Party history tells us that only socialism can save China. It also tells us what road we must take in order to truly uphold socialism. Party history also tells us that in order to uphold the socialist road and to build socialism, we must proceed from China's national conditions, follow a series of objective laws of continuously and rapidly developing productive forces under China's conditions, meet the needs of developing productive forces and the needs of constantly readjusting and improving the socialist economic system. Gradually we will build a socialist political system with a highly-developed democracy, a highly-developed socialist spiritual civilization and a CCP with a sound system of democratic centralization. The road to comprehensively build socialism which is suited to China's national conditions and which has been taken by the party since the 3d Plenary Session of the 11th CCP Central Committee and the 10-point program for comprehensively building socialism which are stated in the "Resolution on Certain Questions in the History of Our Party Since the Founding of the People's Republic of China" adopted at the sixth plenary session were founded and formulated on the basis of repeatedly summing up the party's history. Therefore, only by studying and researching party history can we conscientiously and correctly uphold the socialist road and highly effectively struggle to build a strong and modern socialist country with a highly developed democracy and a highly developed civilization.

Can we say that non-party-members need not study party history? I do not think so. Upholding the four basic principles is not only a requirement for all party members but also a requirement for all PRC citizens. This is because the CCP represents their interests, leads them in making progress and is their own party. This is because support for the CCP's leadership is the result of historical selection over a long period by the Chinese people of all nationalities.

Because of all this, I think that we should continue to offer the courses in party history at institutes of higher education and at various schools for cadres. We should not accept the view that we need not offer the courses in party history any longer. Otherwise, it will be harmful to upholding the four basic principles, to developing socialist modernization and to safeguarding and raising the party's prestige.

Some comrades think that until now, there has been no official party history. Therefore, they find it difficult to teach this course. Because of shortcomings in the teaching of party history or because of damage done to the party's prestige resulting from the 10 years of turmoil in the "Great Cultural Revolution" and the incorrect understanding of some young people, that is to say, because of the sequelae of the "Great Cultural Revolution," the courses in party history and other courses in political theory are not too welcome. I think that there are some grounds for all these claims, but none of them can be used as an excuse for canceling the courses in party history. We should never "give up eating for fear of choking." On the contrary, we should regard the present circumstances as a demand on us to strengthen scientific research in party history and to improve the teaching of party history. At present, our conditions for strengthening scientific research in party history and for improving the teaching of party history are much better than before. The second resolution on questions in history adopted at the party's sixth plenary session together with the first resolution on questions in history adopted at the Seventh Plenary Session of the Sixth CCP Central Committee in 1945 have already made correct assessments of all major events and the rights and wrongs and merits and demerits of the party's chief leaders. That part of the party history teaching program for institutes of higher education, which deals with democratic revolution and which was written by the Ministry of Education and approved by the CCP Central Committee party history research section, has been printed and issued for use. The draft of the part on socialist revolution, which is being used to solicit opinions, has been written by the CCP Central Committee party school.

Under these circumstances, I believe that the teaching of party history will be greatly improved. This will be a true, rich and vivid party history. This will be a fascinating history of the continuous enrichment and development of Marxism-Leninism-Mao Zedong Thought. Such courses in party history will be important means for building a highly developed socialist spiritual civilization. The courses will be a most important spiritual food for every Chinese youth, especially for every revolutionary cadre, and everyone will listen to their content with keen interest. Our party history workers must work hard to establish and develop this completely new science, party history, and through research into and teaching of party history, struggle to reeducate our people and youth and arouse their tremendous enthusiasm for building a strong and modern socialist country.

NEI MONGGOL'S ZHOU HUI ADDRESSES MODEL WORKERS

SK070954 Hohhot Nei Monggol Regional Service in Mandarin 1100 GMT 6 Mar 82

[Excerpts] According to our reports (Zhou Huali) and (Li Yonghua), the regional rally of model staff and workers sponsored by the regional people's government ceremoniously opened on the afternoon of 6 Mar at the railway workers' place in Hohhot. Wearing big red flowers on their chests, 298 model workers hailing from industrial, communications, capital construction, financial and trade, cultural, educational, public health, scientific and technical and literary and art fronts and 154 representatives of advanced units happily attended the rally as victors.

Attending the opening ceremony were leading comrades of the regional CCP committee, the standing committee of the regional people's congress, the regional people's government and the regional CPPCC committee, including Zhou Hui, Ting Mao, Wang Duo, Kong Fei, Yun Shiyang, Bu He, Sun Lanfeng, Ochir Hotokto, Zhou Beifeng, Shi Guanhua, Chen Bingyu, Batu Bagen, Peng Sike and Yang Lingde, and responsible comrades of various committees, departments and bureaus at the regional level, various trade unions, CYL committees and women's federations.

At 0900, Chen Bingyu, vice chairman of the regional people's government, declared the rally open. Following thunderous applause, Zhou Hui, first secretary of the regional CCP committee, delivered a speech. First, on behalf of the regional CCP committee, he extended highest consideration and warm congratulations to all model workers and representatives of advanced units attending this rally. Through the participants, he also extended warm greetings and best wishes to workers, intellectuals and cadres of all nationalities working on all fronts.

Comrade Zhou Hui said: This is the first rally of model staff and workers in our region since the party shifted its work focus to socialist modernization, as well as the largest gathering of heroes in the last few years. This rally is a large-scale review of model staff and workers and advanced units throughout the region as well as a great mobilization rally to advance toward the goals of building the two civilizations. Buoyed by this rally, our region will quickly spark an upsurge in the socialist emulation drive to emulate, learn from, catch up with, help and in turn surpass each other. Our socialist construction projects will prosper and flourish.

Kong Fei, secretary of the regional CCP committee and chairman of the regional people's government, delivered a report at the rally. In his report, he discussed the current situation and tasks in our region. He said: Since the third plenary session of the CCP Central Committee, under the leadership of the CCP Central Committee, the State Council and the regional CCP Committee, our region has conscientiously implemented a series of principles and policies of the CCP Central Committee and its important directive on our region's work. With the concerted efforts of over 18 million people of all nationalities in the region, the chaotic situation has been clarified, rights and wrongs which were turned upside down have been corrected and promising changes have taken place in the political, economic and cultural fields. The situation as a whole is very good and improving each year.



Comrade Kong Fei said: Our major tasks in 1982 are to persistently continue to implement the guidelines of the third and sixth plenary sessions of the CCP Central Committee, the Fourth Session of the Fifth National People's Congress and the important directive of the CCP Central Committee on Nei Monggol's work; consider economic building as a key link, strengthen readjustment and reorganization on all fronts; do a good job in building material and spiritual civilizations; and consolidate and develop the excellent situation of stability and unity. In economic building, it is necessary to focus on raising the economic efficiency and economic results in production, construction, circulation and various other areas and ensure that the plan to realize a 4 percent increase and strive for a 5 percent increase in this year's industrial and agricultural output value is fulfilled. In building the spiritual civilization, it is necessary to achieve a decisive turn for the better in social ethics and party work style and realize great improvement in the unity and relations between nationalities.

#### SHANXI RURAL ECONOMIC DIVERSIFICATION STRESSED

HK041310 Taiyuan Shanxi Provincial Service in Mandarin 2300 GMT 2 Mar 82

[Text] In the work report given at the 13th meeting of the Standing Committee of the Shanxi Provincial People's Congress by Vice Governor Zhao Lizhi, he put forth five measures for developing rural economic diversification:

"1. We must seriously carry out the guiding principle of energetically developing a diversified economy without neglecting grain production in any way and continue readjusting the agricultural structure. While paying attention to paddyfields, we must be mindful of properly taking care of irrigated land to develop a well-rounded agriculture. Under the guidance of state planning, while maintaining the collective economy as the core of the whole economy, we must give full play to the communes' and brigades' decision-making power over production, develop superior features by keeping local conditions in mind and properly carry out plans for diversification.

"2. We must energetically help the countryside develop the processing of agricultural and sideline products. All processing factories of existing industrial, communications, commercial, foreign trade and other units which draw on agricultural and sideline products as their main source of raw materials and which can run joint enterprises with communes and brigades should do so. Those that cannot do so can resort to the method of sharing profits on a percentage basis, or organizing mutual help. In the future, we must expand the processing capacity of agricultural and sideline products. This in principle should be the responsibility of the communes and brigades. As for major agricultural and sideline products, we must develop a rational base for planned state purchases and fixed purchasing quotas. After meeting requirements for planned state purchases and fixed purchasing quotas, communes and brigades should be allowed to use what remains as they choose.

"3. We must energetically increase opportunities for circulation and introduce a contract system. State-run enterprises must help communes and brigades to energetically push products and support the latter's effort in establishing commercial networks and setting up joint enterprises that link agriculture, industry and commerce, sideline production, industry and commerce, or forestry, industry and commerce.

"4. We must step up the scientific study of developing a diversified economy and organize efforts to popularize and promote new systems and new experiences. Where conditions permit, we should run various types of vocational schools. The aim is to train and increase the number of skilled personnel required for a diversified economy. We should let skilled craftsmen in the countryside pass on their skills to apprentices, giving them better pay and every encouragement. We may also invite professionals and talented people inside and outside the province to impart their skills.

"5. We must rely chiefly upon communes and brigades to provide funds for the development of a diversified economy. Depending on the financial state, the provincial people's government will make an annual allocation of funds to help the development of a diversified economy."

While reporting to the committee members on conditions concerning the afforestation effort of the province at the 13th meeting of the standing committee of the provincial people's congress, (Liu Qingquan), director of the provincial forestry department, pointed out that "in launching the nationwide voluntary tree-planting campaign this year, our province must put stress on solving three problems:

"1. We must pay proper attention to publicizing the campaign. We must conduct publicity in an extensive and penetrating manner, so that the 18 million people above the age of 11 will consciously undertake the planting of trees and foster a sense of honor and a sense of responsibility in the effort to make the motherland green.

"2. We must develop rational scientific plans and give timely technical guidance. Concerning how to care for plants and flowers grown by a given unit and how to make them thrive, we must first make arrangements and put someone in charge."

3. We must solve the problem of nursery stock. It is rather difficult for residents to obtain nursery stock in the voluntary tree-planting campaign. Sturdy saplings in particular are especially lacking. Therefore, in many areas, the effort to voluntarily plant trees this year should concentrate mainly on the growing of saplings as quickly as possible.

"Huo Shilian, first secretary of the provincial CCP committee, pointed out that the whole province must strive to complete planting of saplings on 1 million mu of land this year. This is an important policy decision. But if we are not determined to solve the problem of nursery stock, it is very difficult to ensure the fulfillment of our province's annual afforestation target.

"At present, on the plains of southern Shanxi, where the temperature is increasing faster than in other parts of the province, the nationwide voluntary tree-planting campaign has already been launched. The provincial forestry department and the office of the provincial afforestation committee have assigned 137 cadres to conduct publicity, give encouragement, make inspections and exercise supervision in various areas."

#### BRIEFS

NEI MONGGOL TREASURY BONDS -- Sales of treasury bonds for 1982 began 25 February in Nei Monggol Autonomous Region. The regional government urged localities to publicize this enterprise and mobilize the people to buy treasury bonds. The state assigned treasury bonds worth 56.4 million yuan for the region to sell in 1982. Nearly 30 million yuan of them are to be sold to state and collective units, 25 million yuan to staff members and workers in the region and 3 million yuan to peasants and livestock raisers. [Hohhot Nei Monggol Regional Service in Mandarin 1100 GMT 26 Feb 82 SK]

NEI MONGGOL BORDER POLICE -- The headquarters of the Nei Monggol regional border defense policemen sponsored a meeting 1-6 March. Representatives of advanced units and individuals and outstanding voluntary servicemen who had emerged in building a socialist spiritual civilization and safeguarding border areas attended. During the meeting, participants hailed the glorious tradition of the border police, exchanged experiences in building a material and spiritual civilization and conducting border defense, and pledged to be vanguards in launching the civility campaign. Yun Shiyong, vice chairman of the regional people's government and secretary of the CCP committee of the regional border defense group, attended the meeting and extended congratulations. (Yu Tong), director of the regional public security department, presented citations, honor banners and prizes to 11 advanced units, 40 model individuals, 48 outstanding voluntary servicemen and 3 advanced mass units. [Hohhot Nei Monggol Regional Service in Mandarin 1100 GMT 7 Mar 82 SK]

WORK REPORT AT HEILONGJIANG CONGRESS SESSION

## Public Security Discussed

SK030814 Harbin Heilongjiang Provincial Service in Mandarin 1100 GMT 2 Mar 82

[Excerpts] In his report on government work delivered at the fourth session of the fifth provincial people's congress, Governor Chen Lei said: All trades and professions in both rural and urban areas should implement all-round reforms and consolidation this year in a planned manner. We should promote spiritual and material civilizations and achieve greater economic results, and greater political stability and unity by way of consolidation.

In discussing enterprise consolidation, he said: Industrial, communications and capital-construction enterprises should earnestly implement the CCP Central Committee and State Council decision on the comprehensive consolidation of state-run industrial enterprises. They should exert efforts to ensure comprehensive consolidation with special attention to key points carried out in a planned manner and on a stage-by-stage basis. We should consolidate and improve the economic responsibility system; upgrade enterprise management; and improve planned management, quality control and economic accounting. Efforts should be made to strengthen labor discipline, strictly implement the punishment and reward system, rectify financial discipline, strengthen the financial accounting system, consolidate labor organizations, and organize production on the basis of production capacity and production quotas.

Governor Chen Lei said: During the past year, various localities in the province strengthened public security and judicial departments organizationally and professionally, conducted deep-going propaganda and education on socialist democracy and the socialist legal system, mobilized the strength of all sectors to comprehensively consolidate public security, severely and promptly dealt with a number of criminals who posed a great threat to public security, and educated and redeemed many juvenile delinquents. This year we should continue to regard the consolidation of public security as a political task, mobilize the strength of all fronts to implement the policy of consolidating public security comprehensively, and strive to achieve a decisive improvement in public security and social morality this year.

## Commercial Tasks Examined

SK040530 Harbin Heilongjiang Provincial Service in Mandarin 1100 GMT 3 Mar 82

[Text] According to our reporter, in his report on government work delivered at the fourth session of the fifth provincial people's congress, Governor Chen Lei emphasized the 1982 tasks for commercial, financial and trade work. He said: We should earnestly discuss ways to make, save, spend and manage money, and try in every possible way to increase production and income and stabilize commodity prices. At the same time, the role of banks should be brought into full play. We should let the banks manage our construction funds in a unified manner. We should also make good use of foreign capital and our own capital to develop economic construction through joint management and compensatory trade. When we use this capital, attention should be paid to economic results, proper centralization, good arrangements and rational utilization. We should spend our limited funds on construction projects which will bring about good and speedy results and strive to overfulfill financial tasks.

When discussing the way to enliven the market, Governor Chen Lei said: Commercial departments should conscientiously make an estimate of market trends, procure more commodities and expand sales of commodities to promote the flow of commodities between urban and rural areas. More domestic and foreign markets should be opened for certain commodities to accelerate the market flow. This year the supply of commodities should be increased steadily to enliven the market in a stable manner.

While making arrangements for markets, priority should be placed on the needs of markets in our province rather than exports. The production of vegetables, hogs, chickens and fish, which have great influence on markets, should be resolutely promoted.

We should intensify education on food processing skills, increase varieties and patterns of foodstuffs, and enliven marketing of staple and nonstaple foods. It is necessary to increase the supply of daily necessities and durable consumer goods. Industrial products needed both in urban and rural areas should be supplied to rural areas. Meanwhile, the needs of minority nationalities should never be neglected.

LIAONING PEOPLE'S CONGRESS SESSION OPENS 4 MAR

Guo Feng Attends Session

SK050428 Shenyang Liaoning Provincial Service in Mandarin 1100 GMT 4 Mar 82

[Text] According to our reporter, the fourth session of the fifth provincial people's congress ceremoniously opened today in Shenyang. Some 900 deputies from all fronts in all localities of the province were all the more glad that this congress session opened during the all-people decorum and courtesy month. They pledged one after another to take the lead in the activity of the five stresses and four beauties. Confident of achieving success in construction of a material and spiritual civilization, all the people's deputies happily gathered under the same roof to fully exercise their democratic power for managing the state.

Seated in the front row on the rostrum were Guo Feng, Zhang Qingtai, Bai Qian, Zhang Zhengde, Zhang Xincun, Li Tao, (Chen Yiguang), Yang Dayi, Zhang Ziheng, Zhao Shi, Liu Wen, Lou Erkang, Xiao Zuohan, Tang Hongguang and Gu Jingxin, permanent members of the congress presidium. Leading comrades of the provincial CCP committee and the people's government also attended the session. The participants in the fourth meeting of the fourth provincial CPPCC committee attended the session as observers.

Zhang Qingtai, vice chairman of the provincial people's congress, declared the congress session open and ordered the national anthem played. Entrusted by the provincial people's government, Governor Chen Puru delivered the government work report at the session. In his report, Comrade Chen Puru reviewed the work done in 1981, elaborated on the tasks for 1982 and then discussed ways to strengthen government work and to improve work style. His work report drew loud applause from the participants.

Zhu Chuan, provincial vice governor and chairman of the provincial planning committee, submitted to the session the written reports on the implementation of the 1981 plans for the provincial economic and social development, and the plans in this regard for 1982. (Zhang Min), director of the provincial financial department, made a report on the final provincial financial accounts for 1981 and the budgetary estimates for 1982. In addition, the examination report of the credentials committee on the status of people's deputies and on qualifications of people's deputies elected in by-elections were printed and distributed at the session.

The congress held a preparatory meeting on 3 March. The meeting elected the presidium and secretary general of the congress and approved matters relating to the congress.

Governor Delivers Report

SK051048 Shenyang Liaoning Provincial Service in Mandarin 1100 GMT 4 Mar 82

[Text] At the fourth session of the fifth provincial people's congress which opened today, Governor Chen Puru delivered a government work report.

In reviewing the province's work in 1981, Chen Puru said: New developments and encouraging changes took place in all undertakings of our province last year. The national economy continued to develop, the political situation was more stable and the entire situation increasingly improved.

First, we had a good harvest. Despite 2 consecutive years of serious drought in Chaoyang Prefecture and [words indistinct] four counties and extremely great floods in some places in the southern part of our province, we still had a good harvest. Our grain and soybean output was 23.2 billion jin by the end of 1981. The actual figure may be around 24 billion jin, second best in our history.

Except for decreases in tussah cocoons and sunflower seeds, we witnessed increases of varying degrees in production of cotton, peanuts, sesame, flue-cured tobacco, beets, fruits and vegetables. Our diversified economy developed rapidly.

Second, we achieved marked results in industrial readjustment, overfulfilling state-assigned targets. Our industrial output value was 45.55 billion yuan, 3.6 percent more than the 1981 targets. Production plans for 57 of 80 kinds of major industrial goods were overfulfilled. Light industry continued to increase substantially. Great achievements were also scored in energy conservation. Quality of many products improved and variety increased. We also fulfilled state-assigned plans for railway, highway, ship and airline transportation and for post and telecommunications work.

Third, we reduced the scale of capital construction and urban construction, environmental protection, geological surveys, public facilities, people's air defense and mapping.

Fourth, we expanded trade, both domestic and foreign, and improved market supplies. The total volume of commodities procured by state commercial units throughout the province was 10.3 billion yuan, 15.7 percent greater than the 1980 figure. The increase in the procurement of farm and sideline products was 30.9 percent and that of industrial goods procurement was 9.6 percent. Supplies of 22 kinds of daily necessities were guaranteed. Vegetable supplies were fairly ample. Sales of more expensive goods, such as bicycles, sewing machines and televisions, also greatly increased. Our volume of export goods procurement was 2.78 billion yuan and goods exported from our ports were worth \$4.34 billion, increasing by 5.3 and 9.2 percent respectively over 1980.

Fifth, we achieved a balance in revenues and expenditures.

Sixth, we made new progress in science and technology, culture and education. Working diligently to tackle difficult problems, the masses of scientists and technicians in our province scored achievements in 4,400 research projects last year. Achievements in some 700 projects were more significant, and some of them reached advanced national standards. Some 80 achievements were applied to promote industry and agriculture. Education continued to develop in the course of readjustment. More students enrolled in colleges and universities, workers colleges, television universities and correspondence universities. Great changes took place in the structure of secondary education. The number of students attending secondary vocational schools comprised 41 percent of all students at senior high schools and other schools at the same level. Educational investments showed an increase over 1980. School buildings were built or repaired to improve school conditions. We also witnessed great development in public health, literature and art, physical culture and sports, the press, publications, and radio and television broadcasting.

Seventh, we improved the people's living standards.

Eighth, we improved social practices and public security. Thanks to intensified ideological and political work, the people's mental attitude took on a new look. Many advanced persons who were diligent, selfless, brave and happy to help others emerged on all fronts. Public security and judicial organs cooperated with other departments concerned to take comprehensive measures to improve public security in both urban and rural areas.

After summing up last year's achievements, Chen Puru stressed: Although we have scored great achievements in our work, we still have many shortcomings and problems. Last year our heavy industry decreased by a fairly large margin and many enterprises achieved poor economic results. This adversely influenced our revenues. Difficulties still exist in many fields due to objective reasons as well as problems in the provincial government. These problems include lack of a comprehensive understanding of the policy on further economic readjustment, failure to take timely and effective measures to counter the new situations and new problems emerging in the course of readjustment and a bureaucratic work style. We must earnestly solve these problems in our future work.



## 1982 Economic Tasks Discussed

SK050924 Shenyang Liaoning Provincial Service in Mandarin 1100 GMT 5 Mar 82

[Text] According to our reporters, in his government work report at the fourth session of the fifth provincial people's congress, Comrade Chen Puru set forth major economic tasks for our province in 1982. The major economic tasks are to continue to comprehensively implement the principle of readjustment, restructuring, reorganization and upgrading; to try in every possible way to raise efficiency in production, construction, circulation and various other fields; to strive to fulfill various economic plans; and to vie to achieve stable development, credit balance and stable market prices. The projected agricultural and industrial output value for 1982 is 53.2 billion yuan, a 3.4 percent increase over last year.

In his report, Chen Puru emphasized: The key to implementing the 10 principles for economic construction and opening a new avenue for Liaoning's economy is to correctly understand the situation in our province and give full play to Liaoning's advantages in heavy industry, the functions of available enterprises and the potential of agricultural economy to harmonize the development of heavy industry, agriculture and light industry.

In his government work report, Comrade Chen Puru said: To fulfill the 1982 tasks, we must do a good job in the following areas:

1. Accelerate development of agriculture in an all-round way. In 1982, our province should make a 3-percent increase in its total grain and soybean output and a 7-percent increase in the income of a diversified economy compared with 1981. Per-capita income of peasants from collective distribution is projected at 140 yuan. Per-capita income of a third of the production teams in our province should achieve 300 yuan or so this year.
2. Adopt further measures to ensure a good job in the readjustment and production of heavy industry, and actively develop light industry. We should readjust the service targets of heavy industry, reform the product mix, reduce oversupplied products and increase products in short supply. Last year, on the basis of investigations and studies, we drew up readjustment plans for the metallurgical, coal, petroleum, chemical and machinery industries. This year, we must organize all forces to implement them and strive to score results as soon as possible. Continuous attention should be given to consumer goods production. In light of Liaoning's salient features, we should help light industry with heavy industry and promote heavy industry with light industry.
3. Strive to improve the results of investment in capital construction. In 1982, the construction of 32 large and medium-sized projects -- mainly in weak links in the national economy such as electricity, coal, petroleum and transportation -- will be continued. Rapidly completing these projects is of great significance in accelerating the development of our province's economy. It is necessary to guarantee the progress of construction and ensure they are completed on schedule.
4. Strive to increase energy production, do a good job in energy conservation and raise the utilization ratio of energy resources. In 1982, the state-assigned provincial raw coal production is 35.1 million tons. The broad masses of staff and workers on the coal front should strive to make up what they missed in tunneling and stripping work and, at the same time, persist in normal operations and operational safety to guarantee fulfillment of the state-assigned production plan.
5. Guarantee a good job in the over-all reorganization of enterprises.
6. Do a good job in conducting technical reforms in available enterprises in a planned manner.
7. Strive to increase incomes and reduce expenditures and achieve a financial balance.
8. Strengthen foreign affairs work, and actively develop the economy and trade with foreign countries.
9. Actively develop scientific, technical, cultural, educational and public health undertakings.
10. Enliven urban and rural markets and make good arrangements for the people's life.

In the government work report, Comrade Chen Puru said: In fulfilling these economic tasks, we should proceed from economic efficiency, because the people can benefit more from enhanced economic efficiency.



## NORTHWEST REGION

NINGXIA RIBAO VIEWS CONSOLIDATING ENTERPRISES

HK051443 Yinchuan NINGXIA RIBAO in Chinese 17 Feb 82 p 1

[Commentator's article: "Overhaul and Consolidate Enterprises in an All-Round Way; Improve Economic Results"]

[Text] Our region has begun consolidating industrial enterprises in an all-round way. This major event is of overall importance in our regional economic construction. This is a fundamental measure which is aimed at fully tapping the potentials of the existing enterprises, improving economic results and increasing financial revenue. We must have the spirit of revitalizing the Chinese nation, be brave in overcoming difficulties on the road of advance, do well in conscientiously and successfully grasping work and make contributions to bring about a successful upswing in the region's economic construction.

Since liberation more than 30 years ago, this region has scored achievements in its industrial development. The fixed assets of the region's existing state-operated industrial enterprises are worth about 2.2 billion yuan. Let us take 1979, a year with a relatively good industrial output value, as an example: The total industrial output value in 1979 reached over 1.37 billion yuan, and the profits from industrial output in 1979 reached over 138 million yuan. There have been steady increases in industrial departments and the varieties of products. This region has also achieved some successes in consolidating industrial enterprises in recent years. However, the general situation shows that the region's industrial development does not meet our expectations and that there are still quite a few problems. Some of the major problems are very poor economic results and very low production, technical and management standards. The major difficulties and problems are poor assortment of goods, poor quality, high consumption and unmarketable products. With a poor assortment of goods, we cannot open all avenues for production, we can hardly meet the consumer's needs and our products cannot sell well on the market. With poor product quality and overstock caused by unmarketability, it is pointless to talk about protecting local industry. With high consumption, it is impossible to reduce production costs and improve economic efficiency. According to currently available comprehensive data which can reflect the region's state of economic efficiency in 1978, the profit tax rate realized from every 100 yuan's worth of funds and the profit rate realized from every 100 yuan's worth of output value of the region's industrial enterprises under the system of ownership by the whole people with independent accounting were, respectively 12.7 percent and 14 percent lower than those of the 1978 national average levels. There were greater differences between those of Shanghai's and those of the region's in 1978. These differences have been further widened during the past 2 years. Last year, the autonomous region decided to classify the whole region's industrial enterprises in terms of those with good conditions, those with moderate conditions and those with poor conditions. The results of the classification show that the majority of the region's enterprises have moderate conditions and that the number of those with poor conditions is greater than the number of those with good conditions. Therefore, judging from the current conditions of the region's industrial enterprises, we can see that if we do not consolidate them, they will be eliminated through readjustment and competition. This is a matter of vital importance. Therefore, as far as the region's economic construction is concerned, consolidating industrial enterprises in an all-round way is truly a task of top priority, and is also imperative under the present circumstances.

Improving economic results must be taken as the key link in the current consolidation of enterprises. Economic results should be our fundamental starting point in approaching all economic problems. We must thoroughly change the outmoded methods which prevailed for a long period of time under the guidance of "leftist" ideology. We must truly proceed from the actual situation and take new paths to achieve a relatively dependable rate and relatively good economic results so as to enable the people to receive more material benefits. Therefore, in consolidating enterprises, our most important task is to perfect the economic responsibility system. We must work very hard to vigorously promote the economic responsibility system.

To perfect the current economic responsibility system, we must study and solve the following three problems: First, it is imperative to integrate the implementation of the economic responsibility system with the strengthening of planned management. If profits only are examined, there will be a tendency of going all out for big profits, of paying small heed to little profits and of paying no attention to unprofitable things. These tendencies are out of line with state plans and the needs of society. Therefore, through the implementation of the economic responsibility system, we must strengthen the state's planned management of enterprises and enable all enterprises to promote production in accordance with state plans and the needs of society. Second, it is imperative to integrate the implementation of the economic responsibility system with the strengthening of management. It is wrong to deviate from the correct paths, namely, improving product quality, increasing the variety of designs and reducing production costs. It is also wrong to put undue emphasis on profits and adopt dishonest methods. Linking the implementation of the economic responsibility system with the interests of staff and workers and achievements in the management of enterprises is aimed at mobilizing the enthusiasm of enterprises and staff and workers, tapping the potentials of enterprises more successfully and improving economic results. Third, it is imperative to promote ideological and political work. The personal income of staff and workers must be basically stabilized at the current level and there should not be much increase in their personal income. This is decided by our current level of production. At the same time, we must also achieve a certain increase in accumulation for promoting construction. Bonuses must be granted in a more rational way. In a word, the current consolidation of enterprises must revolve around improving economic results, and lay stress on promoting the following five tasks: Namely, consolidate and perfect the economic responsibility system, readjust and replenish leading groups of enterprises, consolidate labor discipline and financial and economic discipline, consolidate labor organizations and do a good job of fixing the number of staff and fixing quotas. By so doing, we can enable every enterprise to gradually establish a leadership system with both democracy and centralism, a contingent of staff and workers who are both red and expert and a scientific and civilized management system. It is imperative to promote the "three establishments" and enable every enterprise to reach the standard of the "six-good enterprises" that is, being good at paying equal attention to the three establishments, promoting product quality, achieving economic results, strengthening labor discipline, promoting civilized production and carrying out political work.

The current consolidation of enterprises is being carried out in a planned way. Efforts are being made to promote the work in all areas by drawing upon experience gained in the work on key points. The work is being carried out by stages and in groups. Enterprises which have no investigation teams sent by higher authorities must not take a wait-and-see attitude. As far as the whole region is concerned, we rely primarily on our enterprises' own efforts to consolidate themselves. Investigation teams have been sent to a few units and to assist them in carrying out work and summing up experience which will be used for guiding the work in all areas. Therefore, enterprises which have no investigation teams must at least do well in strengthening financial and economic discipline and labor discipline, strengthening ideological and political work and carrying out activities of emulating, learning from, catching up with and helping one another. We must rely on the existing organized groups to grasp the work. If some existing organized groups are really not competent at the work or really cannot carry out the work, responsible bureaus must readjust such groups as quickly as possible. All responsible bureaus must examine their subordinate enterprises' plans for consolidation and put forth concrete demands. It is imperative to organize a group of people to assist in supervising and examining the work carried out by those enterprises which have no investigation teams. With regard to consolidating enterprises, the central authorities have formulated and put forth clear and concrete guiding principles, tasks and demands. We can surely promote the work of overhauling and consolidating enterprises, and the region's industrial development surely has a bright future as long as we firmly take the road pointed out by the central authorities, work conscientiously, uphold justice, be honest and upright in our ways and refuse to be taken in by fallacies. Let us brace ourselves, work hard and be fully confident of winning victory!

SHAANXI'S MA WENRUI ON RESPONSIBILITY SYSTEM

OW080445 Beijing XINHUA Domestic Service In Chinese 0132 GMT 5 Mar 82

[Text] Xian, 5 Mar (XINHUA) -- It is important to sum up the experience on the system of production responsibility in agriculture and make still greater efforts to stabilize and improve the system. This was emphatically pointed out by Shaanxi Provincial CCP Committee First Secretary Ma Wenrui at the recent working conference of the provincial party committee.

Ma Wenrui said: Different types of the responsibility system for production have been established in some 90 percent of Shaanxi Province's rural areas, and meanwhile the responsibility systems of fixing farm output quotas for each household and allowing each household to keep what it produces after meeting its output quotas have been practiced by more than 50 percent of the production teams. The establishment of the responsibility system for production manifests the strong aspiration of the peasant masses to proceed from the actual conditions of the rural areas in developing socialist agriculture, overcomes the unhealthy tendency of "everybody eating from one big pot" that has long existed in our collective economy, heightens the peasants' productive enthusiasm, and creates a direct impetus to the development of agricultural production.

Commenting on the question of how to stabilize and improve the system of responsibility for production, Ma Wenrui pointed out: In practicing the responsibility systems of fixing farm output quotas for each household and allowing each household to keep what it produces after meeting its output quotas, greater efforts should be made to further improve the system of signing contracts to use the land, to set the fixed output quotas in a rational way, to promote the system of signing contracts to use the land in accordance with the needs of labor forces in production or the proportion between manpower and labor intensity, and to stabilize this system in most rural areas. In practicing different types of the production responsibility system, efforts should be made to implement the system of responsibility for the management and protection of various means of production and facilities for production, do an even better job in the management of collective property, consolidate the financial work, put in order the financial and supply accounts, handle well the affairs concerning debts, perfect the system of responsibility for the management of financial affairs and carry out the "policy of giving consideration to the interests of the state, the collectives and individuals." Meanwhile efforts should also be made rationally to solve the problem of imbalance in labor remuneration among the personnel in various trades, and sign as well as carry out the economic contracts.

Ma Wenrui said: In order to do a good job of these various tasks, it is important to correctly handle the relations between "unified management" and "fixed output quotas for each household." Only by correctly handling this relationship will it be possible for us to give full play to the superiority of unified management in our collective economy and effectively arouse the commune members' enthusiasm for self-management.

Ma Wenrui also pointed out: In practicing the system of production responsibility in agriculture, it is necessary to give consideration to the interests of the state, the collectives and individuals, and under no circumstances should we go after one of the interests only. This is one of the important indications of whether the system of production responsibility has been carried out adequately. In order to give equal consideration to the interests of the state, the collectives and individuals, we should not only place ourselves under the guidance of state planning in production, but should also respect the production teams' power of decision, so that the households can have certain flexibility in fixing their output quotas. In setting the fixed output quotas for each household, it is important not to set the quotas too high or too low. In dealing with the sales of products and income distribution, it is necessary to ensure the fulfillment of the state procurement of farm and sideline products and allow the communes to retain a share of their profits and public funds. Furthermore, it is also necessary to ensure that the commune members increase their income through higher output and earn more pay for more work done. All this must be stipulated in the form of economic contracts and strictly carried out.

MA WENRUI ADDRESSES SHAANXI CONFERENCE

HK031228 Xian Shaanxi Provincial Service in Mandarin 2300 GMT 2 Mar 82

[Excerpts] The Shaanxi Provincial CCP Committee and the provincial people's government last night [2 March] held a telephone conference, mobilizing rural areas throughout the province to quickly spark an upsurge in this spring's production. Comrade Zhang Ze, permanent secretary of the provincial CCP committee, presided over the conference. Comrade Ma Wenrui, first secretary of the provincial CCP committee, spoke at the conference. Comrade Yu Mingtao, secretary of the provincial CCP committee and governor of the provincial government, delivered a speech entitled "Mobilize Promptly, Speedily Start an Upsurge in This Spring's Production."

In his speech at the conference, Comrade Ma Wenrui said: The key to promoting the spring plowing and production work lies in having good leading groups. At present, quite a few leading groups at the grassroots level are slack and weak. They dare not grasp -- and even take a laissez-faire attitude toward and do nothing about -- problems in rural work and the spring plowing and production work. If we do not quickly change these conditions, we can hardly guarantee the successful carrying out of the spring plowing and production. We must consolidate and reorganize leading groups in a planned way in close connection with the spring plowing and production work. While consolidating and reorganizing leading groups, we must persist in relying mainly on education, stress the importance of heightening their ideological awareness and rectify their political orientation and work style. We must further stabilize and perfect the production responsibility system. We will continue to implement, for a long period of time, the principles of upholding the socialist collectivization of agriculture and the public ownership of land and other basic means of production. The principle of establishing the production responsibility system for the collective economy will also remain unchanged for a long period of time. These are wise policy decisions made by the party Central Committee. We must uphold the principle of regarding the planned economy as primary and regarding regulation by the market as supplementary, and prevent the tendency to plant and grow blindly.

In his speech at the conference, Comrade Yu Mingtao said: 1) We must try in every possible way to reap a bumper agricultural harvest this summer. 2) We must grasp key measures and lay stress on grasping fertilizer and water conservation. 3) We truly must do well in supplying goods and materials for this spring's production work. We must do well in the production and the supply of chemical fertilizer. The provincial people's government has decided that from now on, chemical fertilizer produced in this province must be used for promoting the province's agricultural production, and must not be exported.

WANG ENMAO ON XINJIANG ENTERPRISE REORGANIZATION

HK080222 Urumqi Xinjiang Regional Service in Mandarin 1300 GMT 7 Mar 82

[Excerpts] Xinjiang Regional CCP Committee First Secretary Wang Enmao made a speech on 2 March at the close of the regional industry and communications system study class on straightening out enterprises and the commencement of the 11th study class for industrial enterprise management cadres. He pointed out: After being straightened out, the industry and communications enterprises in our region must progress in great strides and make greater contributions to the state.

The region has decided to begin by straightening out 32 of Xinjiang's 74 large and medium-sized industry and communications enterprises this year. The work of straightening out the enterprises is to be basically completed next year, and the finishing touches will be made in 1984. These study classes are being held to train leading cadres of the first group of enterprises to be straightened out.



Comrade Wang Enmao stressed five demands on straightening out the industry and communications enterprises. He stressed: It is necessary to rectify the leadership groups well in the course of straightening out the enterprises. There are many aspects to straightening out the enterprises. The key lies in rectifying the leadership groups. After the enterprises are straightened out, with good leadership groups, other rectification work such as that involving the work force, the management system, labor discipline, financial and economic discipline and party work style, and the strengthening of ideological and political work can be done well. This is because all this work needs a leadership group to carry it out. To run an enterprise well, it is necessary to have a good party committee secretary and a good manager. There must also be one or two good deputy secretaries and deputy managers. These cadres must be selected by following the mass line in the course of straightening out the enterprises. It is also necessary to cultivate and promote middle-aged and young cadres to be deputy secretaries and deputy managers.

It is essential to uphold the cadre criteria. We certainly cannot select and promote cadres who fail to meet the criteria and conditions stipulated by the central authorities. There are three categories of people repeatedly pointed out by the central authorities that cannot enter the leadership groups. These are: backbone elements of the Lin Biao and Jiang Qing counterrevolutionary cliques; people who rose to power by rebelling; and elements who engaged in beating, smashing and looting. Where such people are in the leadership groups, they must be purged; otherwise, the enterprises cannot be run well and moreover there will be no end of trouble in the future.

He stressed: It is essential to strengthen the building of spiritual civilization in the course of straightening out the enterprises. Although the enterprises are production units engaged in building material civilization, they cannot neglect or relax the building of spiritual civilization. If they do, they will be unable to do a good job in building material civilization. In the course of building spiritual civilization, it is necessary to strengthen the unity of cadres and workers, and especially the unity of nationalities. With the whole factory united as one, all difficulties can be overcome and all production tasks fulfilled and overfulfilled.

He stressed: It is necessary to improve product quality in the course of straightening out the enterprises. Product quality is related to an enterprise's destiny. If quality is good, the enterprise will have vitality; otherwise, it will not. Hence, quality is an issue related to the life or death of an enterprise. It is necessary to do everything possible to improve product quality.

He stressed: It is necessary to improve economic results in the course of straightening out the enterprises. At present the economic results in the region's industry and communications enterprises are extremely low. They are not only lower than the national average; they are also lower than the region's best levels of the past. We must improve economic results in the course of straightening out the enterprises, so as to provide more profit and revenue for the region.

He stressed: It is necessary to get a good grasp on increasing production and practicing economy in the course of straightening out the enterprises. The region has very great potentials in this respect.

Regional CCP committee Secretaries Huang Luobin and Qi Guo attended the meeting. Comrade Qi Guo also made a speech.



FOREIGN MINISTER PAYS VISIT TO PARAGUAY

## Signing of Communique

OW041053 Taipei CNA in English 1022 GMT 4 Mar 82

[Text] Asuncion, Paraguay, 3 Mar (CNA) -- ROC Foreign Minister Chu Fu-sung and Paraguayan Minister of Foreign Relations Dr Alberto Nogues signed a joint communique Wednesday afternoon. In this document, both governments condemned staunchly the activities of violence and subversion of international communism. The document also said ROC and Paraguay will sign a loan agreement in the near future. The two ministers, said the communique, have interchanged constructive opinions on their bilateral and multilateral relations. "Special attention has been in those respects relating to the strengthening of the defence of the countries in the Free World before the threat of international communism," continued the document. The joint communique also pointed out: "In order to strengthen the economic relation between two countries, the ministers decided to sign a loan agreement in the near future between ROC and Paraguay through their respective central banks."

In the document, Dr Nogues emphasized the significance of the visit of Minister Chu here. He said: "The visit is a valuable contribution to the fortification of the fraternal and firm friendship between the two nations."

## Further Reports on Visit

For reportage on the visit of Foreign Minister Chu Fu-sung to Paraguay, including his meeting with Paraguayan President Alfredo Stroessner and the signing of the joint communique, see the Paraguay section of the 4 March and subsequent issues of the Latin America DAILY REPORT.

SUN COMMENTS ON INDUSTRIAL DEVELOPMENT, EXPORTS

OW030351 Taipei CNA in English 0230 GMT 3 Mar 82

[Text] Taipei, 3 Mar (CNA) -- Premier Sun Yun-hsuan told lawmakers here Tuesday that the Republic of China will have to work out a long-range industrial development program and increase its exports to Japan in step to narrow down the widening trade gap between this country and Japan.

Speaking at a meeting of the Legislative Yuan, the premier expressed his hope that the government and the people of Japan will cooperate and work together with this country to minimize the growing deficits.

Economic Affairs Minister Chao Yao-tung also spoke at the meeting. He stressed the importance of self-sufficiency, saying that to balance trade, "we must shift our emphasis from light industry to heavy industry in producing machinery and raw materials for exports."

At present, imported products are machinery and raw materials which are much higher in value than that of agricultural and textile products being exported to Japan from this country, Chao said. The only way to remedy this situation is to upgrade the level of the industry in this country. And to this, the ranking economic official called for close cooperation between the government and the people.

CHEN YUN DISCUSSES ECONOMIC STRATEGY AT MEETING

HK050810 Hong Kong WEN WEI PO in Chinese 5 Mar 82 p 3

[Special feature: "Chen Yun Talks on Economic Strategy"]

[Text] On the morning of the Chinese Lunar New Year, Comrade Chen Yun invited responsible comrades of the State Planning Commission to his office in Zhongnanhai to discuss questions about our country's economic work. On the morning of the same day last year, Comrade Chen Yun attended a forum of secondary and primary school teachers and educational workers at kindergartens convened at the Huairan hall by the Central Committee Secretariat.

The meeting today was held in a small reception room of Comrade Chen Yun's office. The only furniture in the room was a few sofas, and only tea was served on the tea tables. However, the enthusiastic atmosphere of the meeting made us feel that spring had come much earlier than usual.

Yao Yilin, Song Ping, Chai Shufan, Li Renjun and Fang Weizhong came in one after another. After exchanging seasonal greetings with each other, Comrade Chen Yun, speaking with a strong accent of someone who comes from south of the lower reaches of the Changjiang River, said, in opening: "This Spring Festival in Beijing is full of joy and many more firecrackers than usual have been set off. 'The whole year's work depends on a good start in spring.' Today I have invited you to come and discuss how to take the planned economy as the dominant factor with market mechanism as a supplement."

Comrade Chen Yun had put forth this question at a meeting of first secretaries of provincial, municipal and regional CCP committees held at Zhongnanhai not long ago. Today, together with comrades of the State Planning Commission, he was further studying this important principle for economic work.

Comrade Chen Yun said to the comrades participating in the meeting: "Our economy is a planned socialist economy. Industry must take the planned economy as the dominant factor, and agriculture should do the same. After implementing the production responsibility system, it must also take planned economy as the dominant factor with market mechanism as a supplement. We should not think that after implementing various kinds of production responsibility systems, agriculture does not need planning."

Counting on his fingers, he went on to enumerate several questions. "For example, we must do a good job in planting vegetables in the suburbs; we must fix quotas for pig-breeding and assign pig procurement tasks; we must not increase the area used for planting tobacco; we must not reduce the area used for planting rice; and so on. All these are questions of planning."

Comrade Chen Yun continued: "In determining how to use a certain amount of money, the state must have a plan. We must properly improve the people's livelihood. Our principle should be: The first thing is to feed the people and the second thing is to carry out socialist construction. If a country eats up and uses up everything, the country's situation is then hopeless. A country has hope only if it still has strength for construction after giving its people enough to eat."

At this point, Comrade Song Ping interjected: "We must put feeding the people in a correct relationship with construction. Some enterprises have not properly handled this relationship. As a result, some construction has been unduly curtailed."

Comrade Chen Yun said: "We must keep a cool head on this question. We must give the people enough to eat and let them eat well. They should be neither too poorly fed nor too well fed. We must make sure that our country still has strength for construction after feeding the people." Comrade Chen Yun said: "You see, these points are correct, aren't they?" His question "enlivened" the meeting. All participants expressed their agreement and a heated discussion followed.

The subject of discussion was then charged to how to pursue the responsibility system, how to carry out readjustment and restructuring and how to achieve greater economic efficiency. Comrade Chen Yun said: "We should also have plans for running enterprises. Since we are running socialist enterprises, we should pay all the more attention to whether or not the products are marketable, where the raw materials come from and how the enterprises should be operated. At present, some localities have ignored these points. I think that at present, it is necessary for people to 'walk with measured steps' and give overall consideration to this question. We should have a large number of strategists of this kind in our economic organs."

What he said was put simply and vividly and was full of philosophy. In order to successfully carry out economic construction in our country, how badly we need a large number of these strategists who think deeply and plan carefully!

At this Spring Festival meeting, Comrade Chen Yun also talked about how to put into practice the principle of taking the planned economy as the dominant factor with market mechanism as a supplement. He said: "There must be an order of priority and importance in construction throughout the country. We must act in accordance with plans as to what should be stressed and what should be given priority. Otherwise, everything will be in confusion. We cannot act in that way."

At this point, Comrade Yao Yilin said, in a figurative way: "Here the question of eating grapes or apples is involved. Grapes are eaten bunch after bunch, while apples are eaten one after the other. It appears that in construction, we must act in the same way as eating grapes -- bunch after bunch." This vivid comparison made everyone laugh.

Comrade Yao Yilin continued: "The present management system which is set up on the basis of the principle of integrating planned economy with market mechanism is different from that of the past, in which everything was monopolized too rigidly, and is even more different from the market economy of capitalism. It is precisely because of this that we can gradually succeed in exercising administration without being rigid, enlivening the economy without causing confusion and achieving greater economic efficiency and organizing and developing production in true accordance with the needs of socialism."

According to Chai Shufan's analysis, "it seems that some localities are somewhat too impatient to overcome poverty as quickly as possible."

After listening to what the others said, Comrade Chen Yun spoke again: "As long as we work in a down-to-earth manner and follow the prescribed order, our economy will develop rapidly. If we are overanxious for quick results, our economy will develop slowly." These two short sentences summed up the basic experience of economic work in the past 30 years, for which an enormous amount in "education expenses" has been paid. What Comrade Chen Yun said is in earnest and of great significance.

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